

GEOGRAPHIC DISTRIBUTION AND INCREASE—continued
Negro and white population, by sections, divisions, and States—Continued

Section, division, and State	1890		1880		1870		1860		1850	
	Negro	White	Negro	White	Negro	White	Negro	White	Negro	White
Mountain:										
Montana.....	1,490	127,690	346	35,385	183	18,306				
Idaho.....	201	82,117	53	29,013	60	10,618				
Wyoming.....	922	59,324	298	19,437	183	8,726				
Colorado.....	6,215	404,534	2,435	191,126	456	39,221	46	34,231		
New Mexico.....	1,956	142,918	1,015	108,721	172	90,393	85	82,924	22	61,525
Arizona.....	1,357	55,734	155	35,160	26	9,581				
Utah.....	588	205,925	232	142,423	118	86,044	59	40,125	50	11,330
Nevada.....	242	39,121	488	53,556	357	38,959	45	6,812		
Pacific:										
Washington.....	1,602	340,829	325	67,199	207	22,195	30	11,138		
Oregon.....	1,186	301,982	487	163,075	346	86,929	128	52,160	207	13,087
California.....	11,322	1,111,833	6,018	767,181	4,272	499,424	4,086	323,177	962	91,635

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. MILLER in the chair). Are there any reports of committees? If not, the clerk will state the nomination on the Executive Calendar.

THE JUDICIARY

The legislative clerk read the nomination of Toxey Hall to be United States attorney for the southern district of Mississippi.

Mr. BILBO. Mr. President, I wish to make a statement in connection with the nomination of Mr. Hall. He has been State district attorney in my home district for almost a quarter of a century, and I wish to state as a matter of record that the State of Mississippi has never had a better district attorney. He is qualified in every sense of the word and will be a great Federal district attorney.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

Mr. BILBO. I ask that the President be notified at once of the confirmation of Mr. Hall.

The PRESIDING OFFICER. Without objection, the President will be notified.

That concludes the Executive Calendar.

The Senate resumed legislative session.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 56 minutes p. m.) the Senate took a recess until Monday, January 17, 1938, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate January 15 (legislative day of January 5), 1938

ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES

Stanley Reed, of Kentucky, to be an Associate Justice of the Supreme Court of the United States, vice Sutherland, retired.

CONFIRMATION

Executive nomination confirmed by the Senate January 15 (legislative day of January 5), 1938

UNITED STATES ATTORNEY

Toxey Hall to be United States attorney for the southern district of Mississippi.

HOUSE OF REPRESENTATIVES

SATURDAY, JANUARY 15, 1938

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Father, whose influence is everywhere, make us susceptible to those qualities of soul that lead us to high spiritual attainments. Descend upon us in full measure that we may put into our daily lives those sublime principles enunciated in the Sermon on the Mount. Comfort us with that everlasting hope that encircles all. Give courage to the father in pursuit of his labor; strengthen the mother for her daily task. O Thou who art the architect and builder of the universe, the light and the life of men, the inspiration of every permanent movement, we beseech Thy richest blessings upon all our people. Grant that they may move onward to a better civilization. Let Thy kingdom come and Thy will be done in all our hearts, in the blessed Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

The SPEAKER. The Chair recognizes the gentleman from Missouri [Mr. ROMJUE].

CLEMENT C. DICKINSON

Mr. ROMJUE. Mr. Speaker, it is with very great regret on behalf of myself and the entire Missouri delegation that I announce the death of a former Member of this House, who was some few years ago an outstanding and distinguished member of the Missouri delegation in this body. Clement C. Dickinson passed away at his home yesterday surrounded by his family and a host of friends.

Of the first three Members who spoke to me about it this morning, one said, "Everybody loved Judge Dickinson." Another said, "Bless his old heart, I am sorry he has gone." The third said, "I loved him always. He was a faithful and valuable Member of this House."

Last fall my wife and I paid Mr. Dickinson and his aged wife a visit. The first thing we discussed was public problems. His mind was as alert as at any time while he was a Member of the House, and he was the most mentally alert and one of the most sound in judgment I ever met, here or elsewhere. He was deeply interested in the public welfare. He told me about his suffering, and still cheerful followed me to my car as we prepared to drive away. He laid his hand on my shoulder and, as I bade him good-bye, with a smile upon his face he said, "I am now 88 years old, but there is nothing wrong with me except what I heard Senator George Vest say one time when he was getting quite old and a little feeble. With his head down close between his shoulders and with age weighing upon him Senator Vest said, 'There is nothing in the world wrong with me except old Anno Domini.'" With a smile, Judge Dickinson said, "That is all that bothers me."

When I drove away I did not expect to see him alive again, and I did not.

Judge Dickinson was a faithful public servant. He succeeded a former distinguished Member of the House, David A. DeArmond. I recall the newspapers throughout the country, at the time he was elected at a special election, commented upon it and said his election was a barometer of how the country would go in 1912, and it so happened.

I know every Member of the House who had the pleasure and privilege of serving with Judge Dickinson will regret the passing of this grand statesman.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. ROMJUE. I yield to the gentleman from Mississippi.

Mr. RANKIN. We all join the gentleman from Missouri in the sorrow which Judge Dickinson's death has brought to the people of his State. Those of us who served with Judge Dickinson loved him as a father.

I will never forget the memory he displayed in discussing matters of former years. I believe after Champ Clark's passing he was the best-informed man I have ever met on what we might call the unwritten history of the United States. Judge Dickinson was the only Member of the House I ever saw who heard Jefferson Davis' inaugural address. At that time he was a boy only 10 or 12 years old, but his recollection of the events of that time was as clear as if they had come down in written form.

We all join the gentleman from Missouri in paying tribute to Judge Dickinson, one of the great men with whom we have served in the House.

Mr. ROMJUE. I thank the gentleman.

It is with a kindly feeling that the Missouri delegation expresses, through my words as chairman of the delegation, our universal sorrow and regret at the passing of this noble citizen and outstanding statesman of our State. I believe he was one of the most universally respected and the most lovable character that I ever had the pleasure of serving with in this distinguished body. As the saying goes, "His word was as good as a bond." He was distinctly loyal to his constituents and his friends, and I never knew him to have a harsh and ugly word for anyone. He was of the most forgiving spirit and seemed to hold naught against any person.

As my wife and I drove away from his home after our last visit with him I assured him we would meet each other again, and we shall.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield to me?

Mr. ROMJUE. I am pleased to yield to the gentleman from North Carolina.

Mr. DOUGHTON. I read in this morning's paper with profound regret of the passing of our former colleague Judge Dickinson, a distinguished Member of the House who served here so long and faithfully from the State of Missouri. Judge Dickinson was a member of the Committee on Ways and Means, of which I have the honor to be chairman. Although in point of years he was the oldest member of the committee, in his alertness, his diligence, his ability, and the regularity with which he attended the sessions of the committee he was surpassed by no member of the committee and hardly equaled by any. I have never served with a greater, purer, and nobler man than Judge Dickinson. In his passing the country has lost an outstanding, distinguished citizen, and a most useful and truly great man.

Mr. ROMJUE. I thank the gentleman.

CORRECTION OF THE RECORD

Mr. ENGEL. Mr. Speaker, this bill carries appropriations amounting to almost \$4,000,000,000. Only a handful of Members are here. I make the point of order a quorum is not present.

Mr. KNUTSON. Mr. Speaker, will the gentleman withhold his point of order for a moment?

Mr. ENGEL. I withhold it, Mr. Speaker.

Mr. KNUTSON. I should like to have some corrections made in the RECORD, if the Chair will recognize me for that purpose.

The SPEAKER. The Chair will recognize the gentleman for that purpose.

Mr. KNUTSON. Mr. Speaker, on page 723 of the daily RECORD it appears that the gentleman from Mississippi interjected remarks at various times while I had the floor, notwithstanding the fact I refused to yield. This is becoming a bad habit in the House. There is nothing objectionable in the remarks the gentleman inserted, but in revising my remarks last evening I struck out the gentleman's remarks because I had not yielded to him.

The SPEAKER. Does the gentleman desire to make a correction or make a point of order?

Mr. KNUTSON. I make a point of order, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. KNUTSON. In revising my remarks last night after returning to my office I struck out all the interjections for which I had refused to yield. The manuscript went to the gentleman from Mississippi. He has restored these remarks. He not only restored his own language but he restored the language, on page 723 of the daily RECORD, interjected by the gentleman from Oregon [Mr. MORT]. The reporter's transcript shows I struck out all these remarks, but the gentleman from Mississippi restored them, with his usual desire for publicity, and I can understand his desire to attach himself to such a good speech.

Mr. Speaker, I ask that all the remarks for which I refused to yield be stricken from the RECORD.

Mr. RANKIN. Mr. Speaker, I think I shall demand those words be taken down and make a point of order against them.

The SPEAKER. Let us dispose of the gentleman's demand that the words be taken down.

Mr. RANKIN. I just want to say to the House—

The SPEAKER. Will the gentleman indicate the words he desires to be taken down?

Mr. RANKIN. Where he said I restored anything to the RECORD. As a matter of fact, there is nothing in the RECORD, as I see it, that was not said on the floor, but I have a point of order, Mr. Speaker, that I wish to press at this time.

Mr. KNUTSON. Let us dispose of one thing at a time.

The SPEAKER. The Chair can only dispose of one question of order.

Mr. RANKIN. I just wish to say that statement is utterly false. There is nothing in that RECORD that was not said on the floor.

Mr. KNUTSON. It is true it was said on the floor, notwithstanding the fact I refused to yield. That is what I am objecting to. The gentleman is correct about its having been said on the floor.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I am going to object to any correction of this RECORD for the simple reason that on yesterday—and I make this point of order—the Member from Minnesota who is now addressing the Chair attempted to read into the RECORD an attack on me from a newspaper. I made the point of order that he did not have the right to read anything into the RECORD without the permission of the Committee. He stated that he had secured the permission. In the confusion I did not know just what had taken place, but I turned to the RECORD this morning and I find that when he was yielded time he did not even ask permission to insert anything in the RECORD.

Mr. KNUTSON. Mr. Speaker—

Mr. RANKIN. Wait a minute; I am making a point of order.

The Chairman was not informed of the fact he had asked permission to extend his remarks in the RECORD and to include some articles without naming them, but he had not got permission to read them on the floor of the House.

I want to serve notice on the House that I am going to object to any correction of this RECORD and that probably

Monday or at some future day I am going to move to strike his entire remarks from the RECORD for this flagrant violation of the rules of the House and misleading the Chairman who was presiding over the Committee of the Whole at that time.

So, Mr. Speaker, I object.

The SPEAKER. The Chair is ready to rule on the questions of order that have been raised respectively by the gentleman from Minnesota and the gentleman from Mississippi.

Mr. RANKIN. Mr. Speaker, I prefer to reserve my point of order until next week, but I am going to object to his correction of the RECORD.

The SPEAKER. The gentleman from Mississippi [Mr. RANKIN] withdraws his point of order.

The gentleman from Minnesota [Mr. KNUTSON] withdraws his point of order.

The gentleman from Minnesota [Mr. KNUTSON] has raised a question of order and procedure to the effect that during the debate in Committee of the Whole upon yesterday, the Chair not being present when the incident occurred, in the course of his remarks the gentleman from Mississippi [Mr. RANKIN] interjected certain remarks in the speech of the gentleman from Minnesota, and the gentleman asserts, upon his responsibility as a Member, of course, that at that time he declined to yield to the gentleman from Mississippi.

Mr. KNUTSON. Mr. Speaker, the RECORD shows I refused to yield and I stand on the RECORD.

The SPEAKER. The Chair would like to conclude the ruling on this proposition. It presents no novel matter.

The rule is very clearly established that when a Member has the floor he, of course, has the right to exercise the discretion of declining to yield to any Member of the House who may desire to interrupt him or to propound a question, and all the precedents with which I am familiar—and there are quite a number of them—universally hold that in such an event, if remarks are made by the interrupting Member without the consent of the Member having the floor and in spite of his refusal to yield, the gentleman having the floor, in the correction of his language, will be entitled to strike such remarks from the RECORD. This has been the rule in the application of this principle in debate on the floor.

Section 3465 of volume VIII of Cannon's Precedents holds that—

A Member having the floor and yielding for a question may not in revising the manuscript of his speech omit the interruption; but if he declines to yield for interruption, may in revision strike out such words interpolated by another without his consent.

The Chair does not think it is necessary to make any further comment on the proposition.

The gentleman from Mississippi, the Chair understands, withholds his point of order until a later date.

Mr. RANKIN. I wish to be heard, Mr. Speaker, for just a moment.

I desire to say that if you will get the manuscript you will find the remarks he is talking about were stricken out, and the RECORD shows that there was a mark across them when they left my office, but I do not care anything about that.

My understanding was, at the time that he yielded to the gentleman from Oregon [Mr. MOTT], that he propounded a question to me and I answered it. I suppose that is the part of the RECORD to which he refers. I have no objection to that being stricken out, but I do have objection to a man taking advantage of the committee, as did the gentleman from Minnesota [Mr. KNUTSON], and by that subterfuge assuming the right to read into the RECORD a lot of scurrilous editorials.

Mr. KNUTSON. Mr. Speaker, I object to the term "subterfuge." The RECORD, on page 515, shows that I secured the necessary permission while the Speaker was in the chair.

The SPEAKER. Does the gentleman from Michigan [Mr. ENGEL] insist on his point of order that there is no quorum present?

Mr. ENGEL. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and seven Members present, not a quorum.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 5]

Allen, Del.	Disney	Jarrett	Seger
Arnold	Dorsey	Johnson, Minn.	Simpson
Atkinson	Douglas	Johnson, Lyndon	Sirovich
Barton	Drew, Pa.	Keller	Smith, Maine
Bernard	Drewry, Va.	Kerr	Smith, Va.
Biermann	Evans	Kinzer	Smith, Wash.
Boylan, N. Y.	Ferguson	Kniffin	Smith, W. Va.
Buckler, Minn.	Fish	Lemke	Somers, N. Y.
Buckley, N. Y.	Fitzpatrick	Lord	Stack
Byrne	Ford, Calif.	McGrath	Starnes
Carter	Frey, Pa.	McGroarty	Sullivan
Cartwright	Fulmer	Murdock, Ariz.	Sweeney
Celler	Gamble, N. Y.	O'Connell, Mont.	Swope
Chapman	Gambrill, Md.	O'Connor, Mont.	Teigan
Citron	Gasque	O'Day	Thomas, N. J.
Clark, Idaho	Gehrmann	Palmisano	Tinkham
Clark, N. C.	Gifford	Pettengill	Towey
Coffee, Wash.	Goldsborough	Pfeifer	Treadway
Cole, Md.	Gray, Pa.	Phillips	Wene
Costello	Green	Quinn	Wheelchel
Deen	Hamilton	Rogers, Okla.	Wood
Delaney	Hartley	Rutherford	
Dempsey	Holmes	Satterfield	
Dirksen	Hook	Schneider, Wis.	

The SPEAKER. On this roll 337 members have answered to their names, a quorum.

Mr. RAYBURN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

BOARD OF VISITORS, UNITED STATES MILITARY ACADEMY

The SPEAKER, laid before the House the following communication which was read:

JANUARY 15, 1938.

HON. WILLIAM B. BANKHEAD,

Speaker of the House of Representatives,

Washington, D. C.

MY DEAR MR. SPEAKER: Pursuant to the act of May 17, 1928 (U. S. C., title 10, sec. 1052A), I have appointed during the remainder of the third session of the Seventy-fifth Congress the following members of the Committee on Military Affairs of the House as members of the Board of Visitors of the United States Military Academy: A. J. MAY, Kentucky; R. EWING THOMASON, Texas; DOW W. HARTER, Ohio; CHARLES I. FADDIS, Pennsylvania; CLARENCE W. TURNER, Tennessee; WALTER G. ANDREWS, New York, and DEWEY SHORT, Missouri.

Sincerely yours,

A. J. MAY, Chairman.

TREASURY AND POST OFFICE APPROPRIATION BILL, 1939

Mr. LUDLOW. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8947) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1939, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8947), with Mr. GREENWOOD in the chair.

The Clerk reported the title of the bill.

Mr. TABER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 2, line 5, strike out "\$230,000" and insert in lieu thereof "\$217,850."

Mr. TABER. Mr. Chairman, this is an attempt on my part to strike out from the appropriation, "Office of the Secretary," the amount of funds that are required, according to the statement of the Treasury, for the purpose of administering the Silver Purchase Act of 1934. I am making this motion because I believe that that act is placing an unconscionable burden upon the Treasury without any justification what-

ever, and because I believe that this is the only possible way that the Congress of the United States can get at this racket. It has cost the Government of the United States \$600,000,000 to buy the silver that has been bought in the last 4 years. It does not appear on the Budget statement. In the last 4 years it appears on the first page of the Treasury statement that comes out daily, in the increase in the silver certificates outstanding. These silver certificates are carried as liabilities in one separate statement, and on the other side the silver bullion taken in is carried at \$1.29 per ounce, whereas the actual market price, if it was not supported by Government subsidy of this kind, would be not over 18 cents or 20 cents an ounce. The only people who benefit from this expenditure and liability the Government is getting itself into are the miners to a certain extent, and, as I understand it, there are 25,000 or 30,000 of them, and the United States Smelting & Refining Co., which now, as a result of operations under this act, and to a certain extent the American Smelting & Refining Co., is able to pay dividends of about \$12 a share.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. TABER. No.

Mr. WHITE of Idaho. So that somebody may state the truth?

Mr. TABER. I do not want to yield to the gentleman on a subject which he does not understand.

Mr. WHITE of Idaho. I do understand it.

Mr. TABER. No; the gentleman does not. I want the House to understand that we have been getting the Government into trouble to the tune of \$150,000,000 by the operations of this act. There are not over 25,000 or 30,000 of these miners, and that would be \$5,700 per miner, if they got it. It is absolutely ridiculous for us to go on in this way. It is nothing but an out-and-out subsidy; and while the set-up of the Treasury statement carried the false value for this silver that is taken in, the actual facts are that it sets up an additional liability on the part of the Treasury for every ounce of silver that comes in.

In the long run it will destroy the financial integrity of the United States Government. This is a small amount. The question of whether we should spend \$7,000, \$8,000, or \$13,000 extra would not make much difference in balancing the Budget; but the main thing is to reduce these appropriations so that no funds will be provided to continue to operate under this Silver Purchase Act. The only possible recourse the Congress has against this terrific charge upon the Treasury of the United States is to adopt these amendments I propose to offer one after another as the occasion presents itself. I hope the House will do so. [Applause.]

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in view of the great importance of this matter to all of the mining States of the West, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. Mr. Chairman, the gentleman from New York on Thursday in general debate assailed the Silver Purchase Act and gave notice that when this item was reached for amendment he would attempt to hamstring the act by a motion to cut out the appropriation for the expenses of its administration, and he now makes his motion. When the hearing was held before the subcommittee he asked that the Director of the Budget produce an itemized statement of the Budget estimate for the administration of the Silver Purchase Act.

This break-down will be found on page 17 of the hearings. It shows that the total cost for the fiscal year 1937 was \$287,761. The break-down is followed by a significant note which reads as follows:

During the fiscal year 1937 the sum of \$633,712 was collected by the Bureau of Internal Revenue under the taxing provisions of the

Silver Purchase Act. If we offset this revenue against the estimate of \$287,761, we have a net revenue in excess of expenditures of \$346,951.

So the gentleman from New York, for the purpose of effecting a saving of \$286,761, would actually effect a loss of \$346,951.

He is about as nearly correct in his proposed economies on the operating costs of the Silver Purchase Act as he is upon larger economies mentioned in his remarks. For instance, he says of domestically mined silver, for which the Treasury will pay 64½ cents per ounce during this year, and I quote—

That without this Government subsidy the market price of silver would be somewhere around 18 to 20 cents, perhaps less; at any rate, not more than that—

when as a matter of fact, as shown by the hearings, silver has been fairly steady in the world market for a long time at around 45 cents an ounce, or more than twice the price he said it would be if it were not for what he terms in his remarks, and I quote—

This monstrous operation on the Treasury.

This monstrous operation on the Treasury, he said in his remarks—I quote—"means a subsidy of \$150,000,000 a year." Now, let us see what it means. The Secretary of the Treasury at page 16 said, "63,000,000 ounces of newly mined silver in the United States was acquired in the last fiscal year." At 64½ cents an ounce, the total cost would be only \$40,720,000, not \$150,000,000. Now, assuming that the production for the next fiscal year will be the same and that the Government will pay 65 cents an ounce for it, with the world market at 45 cents, it will be a subsidy of only 20 cents an ounce, and a subsidy of 20 cents an ounce on 63,000,000 ounces will be only \$12,600,000 instead of \$150,000,000.

But, Mr. Chairman and Members, the Government pays nothing for this silver. It pays for itself and the Government gets half of it as seigniorage, which is a net profit to the Government.

Now, let us see how this silver is paid for. I quote from the hearings, page 19:

Mr. TABER. What fund or funds do you use to buy silver?

Mr. BELL. We use regular Treasury Department funds to purchase silver in the first instance, but gradually those funds are replaced by silver certificates which go to the Federal Reserve banks and the Government gets credit for them.

And mind you, these silver certificates are redeemable only in silver. So, in the first place, the silver is not paid for in any form of currency or money, only in that represented by itself; and in the second place, it is redeemable only in itself. And, by the way, it is the only currency in the United States which has any intrinsic value or is redeemable in any metal.

However, this is only dealing with the small-change aspects of the silver-purchase policy and the currency created by it. It was mentioned by the gentleman in his remarks on the floor, it appears in the hearings, and it appears in the daily statement of the United States Treasury, that there is outstanding today in round numbers silver certificates to the amount of fourteen hundred million dollars. These certificates, unlike all other forms of currency, with the exception of \$340,000,000 of Civil War greenbacks, draw no interest; that is, are based on no interest-bearing debt. There are no 3-percent bonds outstanding to sustain this currency, and that fact alone saves the taxpayers of the United States on these fourteen hundred million dollars of outstanding silver certificates \$42,000,000 a year. It is almost the only kind of hand-to-hand currency in circulation in this country. One-dollar bills, five-dollar bills, ten-dollar bills, are nearly all silver certificates. Look in your pockets and see what kind of currency you are carrying.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent to proceed for an additional 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. Mr. Chairman, this large volume of much-needed circulating medium, and it appears to actually circulate and which is not a burden on the Treasury or the taxpayers, gives corroborative force to the statement of the Secretary that the silver-purchase program does not burden the Budget. At page 19 appears the following:

Mr. LUDLOW. Is the silver purchasing program affecting the budgetary system adversely?
Mr. MORGENTHAU. No.

Mr. Chairman, the gold- and silver-purchase policies of this administration pulled the precious metal-mining industry in the Mountain States out of the graveyard. That is exactly where it was found on March 4, 1933. The ghost mining towns, which have been the source of this country's monetary metals, have thrown off the grave clothes and taken on new life. Even at the cost of \$13,000,000 a year for silver, which means aid for the entire mining industry of the West, and which is little more than 2 percent of the amount carried in the Soil Conservation Act for agriculture, it seems to me the present status would be well worth preserving, and that its abandonment would result in economic losses in the mining States in excess of any cost involved, to say nothing of giving the people a medium of exchange which has no choke strings on it. [Applause.]

Mr. Chairman, I hope this amendment and all other amendments offered by the gentleman from New York will be voted down. [Applause.]

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York.

Mr. Chairman, I was rather interested in listening to the remarks of the distinguished gentleman from Colorado as he tried to provide to the House an excuse for this program of silver purchases. Very naturally we expected just such a speech from him because this silver-purchase program needs able defenders. It cannot stand on its own, and it is only because of men such as he, with their ability, that this silver-purchase program has been put over on the country.

Let us not talk about big figures. Let us look at figures that anyone can follow. I believe I am correct in saying that at the present time there is a value established by the Federal Government of 64 cents an ounce for silver. I believe I am right in saying that there is a real value to silver of about 18 to 20 cents an ounce. In other words, the difference between the real value and the fictitious value is nothing more, more or less, than the gravy that the silver men are getting out of this program. At the expense of the Federal Government the silver men have been able to put over on the Treasury Department and sell the idea to this administration that something which only has a real value of about 18 cents or 20 cents should be boosted in value to 64 cents.

It would be interesting if the gentleman from Colorado would tell us how many ounces of silver have been bought by this administration since the fictitious value has been established. I believe I am correct when I say that 1,200,000 ounces is a fair figure of the amount of silver that has been purchased by the Treasury Department during the last 4 years. If I am incorrect in this statement I will bear correction at the hands of the gentleman from Colorado. I believe I am also right in saying that the purchases have been made at an average cost of about 55 cents an ounce. In other words, the Federal Government has been providing a benefit to the silver group based on the difference between 55 cents an ounce and 18 and 20 cents an ounce and on this basis has purchased over a billion ounces of silver. Figure it out for yourself what this has cost Uncle Sam.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. DITTER. I said I would yield to the gentleman to correct my figure of 1,200,000,000 ounces. If I am incorrect in that statement I bear correction at the hands of the gentleman.

Mr. MARTIN of Colorado. I think the gentleman is approximately correct.

Mr. DITTER. Is my figure on the value correct?

Mr. MARTIN of Colorado. No; it is not. The gentleman ought to know silver has a value of 45 cents an ounce on the world's market all this time and has that value now and not 18 cents or 20 cents an ounce.

Mr. DITTER. Who has established that value? What was the value prior to the time the Silver Purchase Act was enacted?

Mr. MARTIN of Colorado. I may say to the gentleman it was worth about as much as anything else in this country was worth on March 4, 1933.

Mr. DITTER. I am surprised the gentleman would stoop to the use of that illustration as a basis for his argument. I am, indeed. I have the greatest admiration and respect for the gentleman, but any such argument as the gentleman now uses in an effort to prove a real value for silver hardly does him credit.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes. I want to ask him a real question.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. Is not the gentleman willing to admit the world price of silver has been around 45 cents for the last 2 or 3 years?

Mr. DITTER. It is only because of the benefit that has been brought to silver from the boosting of the price as a result of this administration's program of silver purchase.

Mr. MARTIN of Colorado. The world agreement is now at an end, and silver still maintains its world price.

Mr. DITTER. I maintain silver in the world market would have the value I suggested to the gentleman earlier in my remarks, when I said it was 18 to 20 cents, and that had it not been for the silver-purchase program advocated by the gentleman for the boosting of the price to 65 cents an ounce it still would be where it was. The subsidy which is being provided by the Federal Government at the expense of the taxpayers is for the benefit of only one group, the silver-producing group in the western part of the country.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. May I inquire why, if we are paying this subsidy in this country, we recently went to Mexico and bought 45,000,000 ounces of Mexican silver in order to help the Mexican silver-mine owners?

Mr. DITTER. It is only a part of this general program, which has neither rhyme nor reason to support it, and against which any reasonable man feels he must of necessity rebel. This is the reason I ask support for the amendment now before the committee which I have offered. I submit, Mr. Chairman, there is not an economist of standing either here or abroad who regards our silver-purchase program as sound.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 5 minutes.

The motion was agreed to.

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it gives me a good deal of pain to oppose any amendment offered by the gentleman from New York [Mr. TABER], because we generally see eye to eye on appropriation matters, and I have great respect for his judgment, but in this case I believe the gentleman is wrong, and I think his position should not be sustained by the House.

As I see this question, it is not at all a question of the merits of the Silver Purchase Act but rather a question of

whether or not a mandatory statute passed by the United States Congress shall be nullified and starved out by denying it an appropriation. That is all there is to it. In 1934 Congress passed the Silver Purchase Act, by which it was made mandatory on the Secretary of the Treasury to purchase silver until silver became at least one-fourth of the monetary stocks of the country or until the price of silver reached \$1.29 per ounce. The Secretary of the Treasury did not ask for this measure. It was imposed on him, and it was made his duty to enforce it. In the opinion of a majority of our committee it is our obligation to furnish the Secretary of the Treasury a reasonable personnel to enforce the statute. We could no more be justified in starving out this statute by denying it an appropriation than we would be justified in starving out any other statute passed by Congress, such as the Social Security Act or any other act. I repeat that the Secretary of the Treasury has no discretion in the matter. It is made mandatory on him to buy silver. Certainly, when Congress imposes this duty and obligation upon him, it should not deny him any personnel whatever that is required, in the exercise of the proper economy, to carry out the will of Congress.

If we do not agree with the merit of the statute, and I frankly say a lot of us do not think much of it, then the only way to handle the situation is to pass a law repealing the statute. This being the situation, I hope, with all due respect to the proponents of the amendment, that the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and there were on a division (demanded by Mr. TABER)—ayes 20, noes 38.

Mr. TABER. Mr. Chairman, I object to the vote on the ground a quorum is not present and make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count. (After counting.) One hundred and six Members are present, a quorum. So the amendment was rejected.

The Clerk read as follows:

DIVISION OF RESEARCH AND STATISTICS

Salaries: For personal services in the District of Columbia, \$170,000.

Mr. DITTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DITTER: On page 4, line 26, strike out "\$170,000" and insert in lieu thereof "\$60,000."

Mr. DITTER. Mr. Chairman, the purpose of the amendment I offer at this time is to bring about economies at a place where I believe every Member of the House can join me in practicing economy. The amendment has to do with the salaries of the employees of the Division of Research and Statistics. The hearings disclose that the Division is headed by a Dr. Haas, who is fortunate enough to be on four different pay rolls of the Treasury, as well as on the pay roll of the Emergency Relief.

It seems to me the time has come when you and I should assume responsibility so that this wastefulness and extravagance will stop. This Division of Research and Statistics, among other things, attempts to justify its existence by claiming that it prepares statistics for the use of the Ways and Means Committee in its work on the new tax bill. This presents a very interesting basis for an observation. From all sides we hear complaints about the present tax bill. If there is one thing that is demanded from every part of the country, it is an immediate change in the tax bill which was forced upon the country by this administration. If this tax bill, which has caused such universal objection and complaint, which has contributed to the serious business depression that we now face, which has helped to add thousands of workers to our unemployment lists—if this tax bill is the result of the expensive efforts of this Research and Statistical Division, it is manifest that we might have dispensed with their work with profit to the country. I submit, Mr. Chairman, the results of this Division in the fields of taxation

have been a nightmare, and have given the country one of the worst headaches it has had at any time.

I submit, Mr. Chairman, that no tax bill has had more complaint registered against it than the tax bill that now burdens the American people.

I feel we have an able Ways and Means Committee in the House. Of course it would be stronger if it had a majority of Republicans. I believe the Ways and Means Committee has the ability to prepare a tax bill. It certainly can advocate the repeal of the present objectionable measure. I believe this Research and Statistical Division is just an unnecessary expenditure, a waste of funds. I believe it is an extravagance we can well do without. If this Division of Research and Statistics is brought within reasonable bounds, the country will profit. If the Democratic majority really wants to practice economy and make slashes in Government expense, here is a splendid place where \$110,000 can be saved. This reduction will in no way cripple the work of the Federal Government or any of its agencies. It will in no way decrease the ability of the present administration to carry on its duties. It will enable you to go back to your constituency and boast that your promises of an economical administration of the public business has been carried out by a real performance—shadow boxing and pretenses will be gone—something in saving will be accomplished.

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope this amendment will not be adopted.

The Division of Research and Statistics is under pretty heavy fire, but it is a very important division of the Treasury Department. It is the eyes and ears of the Secretary of the Treasury on all international financing, matters of international exchange, and securing the basic facts on which to base tax revision. It has manifold duties of a widely varying nature vitally associated with the administration of the Treasury Department.

The Secretary of the Treasury has advised us he relies tremendously on this Division. Under former administrations it was the custom of Secretaries of the Treasury to accept financial statements of banking houses and fiscal institutions of different kinds, but the policy now is to get the basic facts at first hand, through this Division of Research and Statistics, which, as I have said, is a very important division, and so considered by the Secretary of the Treasury and the administration.

We have already made a tremendous cut in the appropriation for this office. The head of the office, Dr. Haas, had a personnel of 152 this year, including 40 on emergency relief rolls. Under the appropriation we have proposed here for 1939 he will have only 86 persons exclusive of any personnel he may get from the relief rolls, and we do not now anticipate he will get any personnel whatever from that source. The total amount available for him during the fiscal year 1938 is \$358,490, and in 1939, through the exercise of what a majority of the committee believe to be the strictest of economy, we have cut him down to \$225,000 altogether, including the \$55,000 he receives from another source.

The majority of the committee does not think for a moment it could stand the further cut recommended to us here today by the gentleman from Pennsylvania. We have cut to rock bottom, and in view of the great importance of this division in the fiscal operations of the Government and the vital duties that have been assigned to it, we ask you not to adopt this amendment.

Mr. TABER. Mr. Chairman I ask recognition in support of the amendment.

Mr. Chairman, the Division of Research and Statistics is now on four pay rolls of the Treasury. On top of that they are over on emergency relief. This is the Bureau where \$100,000 has been spent illegally out of the funds appropriated by this Congress to the Bureau of Internal Revenue for the purpose of examining claims having to do with the refunding of processing taxes. I do not know whether this

Bureau is also on the stabilization fund or not. That is something we do not know anything about, but it is possible. Three hundred and fifty-eight thousand dollars—and the Congress appropriated \$60,000 for it last year, that is, for this current year that we are now in, and instead of spending \$60,000, they are spending \$358,000. They did not come here before the deficiency committee and ask for an increase in appropriations, but they tried to sneak in under the tent. No bureau that can justify itself is operating that way. There is absolutely nothing here excepting duplication of the work of the Federal Reserve Board in gathering statistics on foreign trade, on foreign investments, on foreign operations, and preparing information with reference to our domestic matters, as to whether a bond issue or anything of that kind can be absorbed. An appropriation of what was carried last year, \$60,000, such as the gentleman from Pennsylvania [Mr. DITTER] proposes, is ample to carry on what this Bureau has a right to do, and I hope that the amendment offered by the gentleman from Pennsylvania will be adopted.

Mr. LUDLOW. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto close in 5 minutes.

The motion was agreed to.

Mr. O'NEAL of Kentucky. Mr. Chairman, I move to strike out the last word. This is a question of personal opinion. Gentlemen on the other side probably do not believe in the work of this department. There are those on this side and those in the Department who believe that they are doing a most important piece of work, one that is necessary to the Treasury Department, and they ask your support for that reason. The chairman of the committee has stated to you that substantial reductions have been made, and there are functions of the work of this Bureau that do not appear in the hearings. There is work that they do that is most important that should not be in the hearings. In the preparation of material, in the gathering of data, which affect our monetary system, there is much that is done that should not be outlined in detail, and as a result the presentation of their claim for this appropriation does not tell the full story, and it is not exactly fair to attempt to cut their work, where they have no chance to tell the complete job that they are doing. Therefore, this committee, the majority of it, asks you to sustain it as to the amount of the appropriation, which is substantially less than that which the estimate carried, and to vote against the amendment of the gentleman from Pennsylvania.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. DITTER) there were—ayes 15, noes 52.

Mr. DITTER. Mr. Chairman, I object to the vote upon the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Pennsylvania makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and two Members present, a quorum.

So the amendment was rejected.

The Clerk read as follows:

OFFICE OF GENERAL COUNSEL

Salaries: For the General Counsel and other personal services in the District of Columbia, \$130,000.

Mr. TABER. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 5, line 3, strike out "\$130,000" and insert in lieu thereof "\$114,000."

Mr. TABER. Mr. Chairman, this is an amendment to reduce the appropriation for the general counsel by some \$16,000. This is the amount or approximately the amount that the Treasury Department told us was required in this office for the purpose of administering the Silver Purchase Act. It is right along the line of the amendment that I

offered a few moments ago to reduce the appropriation in the Secretary's office. It is the only possible way that this Congress can stop the building up of \$150,000,000 a year of liabilities against which we have no real assets in the Treasury. It is the only possible way that this Silver Purchase Act can be stopped. They are buying silver, not only that produced in the United States, but that produced all over the world, at a price away beyond what the price could possibly be if it were not for the operation of this act.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. HOFFMAN. On the other side the other day it developed that the inability of the automobile dealers to sell used cars was cutting down the market for new cars, and that is why the General Motors and other automobile concerns have discharged thousands of men. On the basis of the same practice used here, is there any reason why the Government should not buy those used cars and get them off the market so that the factories could go ahead and make new ones and sell them?

Mr. TABER. There would be just as much sense in proposing that as the other.

Mr. HOFFMAN. Is there any sense in it?

Mr. TABER. Not a bit except for those beneficiaries of the act. They are the winners. We have built up a debt of nearly \$1,500,000,000 already against assets which would sell for only \$250,000,000 and that are carried on the books at \$1,448,000,000. I hope that the Congress will adopt this amendment and stop this racket.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. TREADWAY. Will the gentleman inform me the difference in price between what the Government is paying for silver today and what the same silver would naturally sell for without Government support?

Mr. TABER. As near as I can estimate the price of silver would be from 18 to 20 cents an ounce if it were not for the operation of the Government under the Silver Purchase Act. The Government is paying 64 cents an ounce for newly mined silver and 45 cents an ounce for silver produced in Mexico, China, India, Spain, or anywhere else in the world, and is paying 45 cents an ounce for old silver produced years ago in the United States.

Mr. TREADWAY. May I further ask the gentleman what this amounts to in the aggregate as a cost to the Federal Government?

Mr. TABER. It adds to the liabilities of the Government in silver certificates that are circulated about \$150,000,000 a year. I hope that the House will adopt these amendments and stop the racket.

There is no profit to the Government in this silver operation. What results is, that we carry the silver as an asset at \$1.29 an ounce, when its real value is 18 to 20 cents per ounce. This false and dishonest bookkeeping is required under the Silver Purchase Act.

Mr. LUDLOW. Mr. Chairman, this amendment offered by the gentleman from New York is a corollary to one which he previously introduced and which was voted down. I understand he will introduce others of a similar nature, the purpose of which is to deprive the Treasury Department of appropriations to enforce a mandatory act of Congress, the Silver Purchase Act. We have already had an expression of the House on the other amendment. I hope this amendment will be voted down likewise.

Mr. Chairman, I ask unanimous consent that all debate on this amendment do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 11, noes 54.

So the amendment was rejected.

Mr. TABER. Mr. Chairman, I object to the vote on the ground there is not a quorum present and make the point of order that there is not a quorum present.

The CHAIRMAN. The Chair will count. (After counting.) One hundred and fourteen Members are present, a quorum.

The Clerk read as follows:

OFFICE OF CHIEF CLERK

Salaries: For the Chief Clerk and other personal services in the District of Columbia, \$145,000.

Mr. DITTER. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. DITTER: On page 5, line 6, strike out "\$145,000" and insert "\$140,000."

Mr. DITTER. Mr. Chairman, this amendment that I offer now is in line with the amendments that we have offered heretofore on this bill with reference to the silver-purchase racket.

I feel that if we are persistent enough on this side that ultimately some of you Members on the other side will begin to see the light of day, and that our persistent efforts, instead of being so objectionable to you, will be received with welcome, that eventually you will come to our way of thinking. It is much the same kind of effort that the evangelist must put forth as he tries to bring sinners to a sense of repentance; and so it is with that spirit that I press upon you now the merit of this amendment I have offered. I hope you will be converted this time and support the amendment.

Let us ask the question just as they do in those meetings: Have you men on the other side any disposition whatever to save money? This, in the final analysis, is the whole thing here; it is not a matter of whether you like silver. Dear knows, some of those men on the other side who have been advocating this policy have had a mighty hard time with their own consciences in trying to do it. The real question, nevertheless, is, Do you believe in this racket which requires the Government to pay these silver interests, all these big companies—not the little miner but the big companies that are getting the profit—whether you are willing to pay them the difference between the 64-cent price and the 20-cent value? Those who have the interests of the farmers at heart should be interested. I wonder whether you men of the farm group feel that you are getting the same kind of benefit for your farmers in your districts that these silver men have been able to get for their silver interests. You men of the South with your cotton interests, you should look with longing eyes to these silver men and realize what they have been able to accomplish in the way of a subsidy for silver—the difference between 64-cent price and 20-cent value. That is some subsidy.

You men who are interested in corn should ask yourselves the question, How much of a subsidy should corn have? Are you getting this kind of benefit for every bushel of corn that is grown back in your corn States?

You corn men; you cotton men; you tobacco men; you rice men; you wheat men—you go back home to your farmers and tell them that you stood up here and provided these silver benefits; these gracious bounties; these substantial hand-outs.

I plead with you today to renounce this silver policy and support the amendment which I have offered.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not care to monopolize all of the time on this subject, but as the gentleman spoke I regretted very much that the Republican-controlled American Mining Congress could not have heard his speech and the speech the gentleman from New York [Mr. TABER] made, as well as other speeches that are being made on that side of the House, against silver and the Silver Purchase Act. I sincerely hope when the Committee rises the gentleman from New York [Mr. TABER] will carry out his threat to offer a

motion to recommit this bill to strike out all expenses for the administration of the Silver Purchase Act, for the purpose of hamstringing the law.

Mr. TABER. Will the gentleman yield?

Mr. MARTIN of Colorado. I have not the time.

Mr. TABER. I propose to offer that motion. I told the House I was going to offer it when I took the floor the other day and I propose to do it and will ask for a roll call.

Mr. MARTIN of Colorado. And I am going to join the gentleman in getting a roll call on that proposition. When we get that roll call and every Republican Member of the House votes to strike down silver, I am going to some trouble and expense to see that the 11 mining States of the West are put in possession of that roll call. I want to show the West who and where its friends are in this Congress, because we are always on the spot with this kind of a fight, not only in connection with silver but in connection with reclamation, and everything else affecting the West. When the reclamation subject comes up that bunch over there on the Republican side will be clamoring to strike out appropriations for reclamation just as they are in connection with silver.

Mr. DITTER. Will the gentleman yield?

Mr. MARTIN of Colorado. They are inimical to all the western interests represented in this Congress, and I want the West to know it. I want the Republicans on that side to go as far as they like. However, I want my Democratic colleagues on this side to be awake to the situation. We want to put them on record, and you will not see another Republican Member of Congress in this House from west of the Missouri River.

Mr. DITTER. Will the gentleman yield? The gentleman will acknowledge that some of these reclamation projects do have merit?

Mr. MARTIN of Colorado. We will talk about that when we get to it.

Mr. DITTER. Is that not true?

Mr. MARTIN of Colorado. Sure, it is true; they all have merit. The gentleman from Pennsylvania and the gentleman from New York have persisted in saying that silver is only worth 18 cents or 20 cents an ounce on the world market and would be worth only that if it was not for this legislation. Silver is worth about 45 cents an ounce on the world market today. The international agreement between the United States and other nations for the purchase of silver has expired, and that agreement has no further sustaining power. Yet the price of silver stays up, because there is a demand for it at that price.

Mr. DITTER. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Pennsylvania.

Mr. DITTER. Upon the gentleman's own figures we may say that there is a subsidy of 19 cents an ounce being paid at the present time?

Mr. MARTIN of Colorado. That is right.

Mr. DITTER. In other words, the difference between the gentleman's value of 45 cents and the price paid of 64 cents?

Mr. MARTIN of Colorado. Yes; I admit that.

Mr. DITTER. I just wanted to be sure that the House knows the silver group is getting a 19-cents-an-ounce subsidy on every ounce of silver.

Mr. MARTIN of Colorado. That subsidy is small when compared with the subsidy which the steel industry in the gentleman's State receives. It was built up and sustained on a subsidy which costs the consumers of this country hundreds of millions of dollars every year. It could not last a year without that subsidy.

Mr. DITTER. The gentleman will admit that in those days the steel industry was a going concern and we were not faced with millions of unemployed as we are at the present time?

Mr. MARTIN of Colorado. It was not a going concern 4 years ago.

Mr. DITTER. It was a going concern so far as providing employment goes.

Mr. MARTIN of Colorado. It was not a going concern in 1933, when the Steel Trust barons were paying themselves salaries of a million dollars a year as well as a bonus of a million dollars a year, and their stockholders were going without dividends and their plants were shut down and Roosevelt was feeding their men. He is not feeding them all now, however.

The gentleman from Pennsylvania has appealed to the South and asked what has it received; he has appealed to the corn people and other farm groups as to what they are receiving by way of contrast to this twelve- or thirteen-million-dollar subsidy on silver. What did we do in the closing days of the Congress last August when we voted a subsidy of \$150,000,000 to \$250,000,000 on one southern crop alone—cotton—and in the special session we passed a farm bill carrying over \$600,000,000 for all these other crops, which we are making permanent legislation. We have subsidized agriculture in this country and industry and shipping and a score of other activities, but none of which gives the country the return it gets on the silver-purchase policy. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. TABER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think the House ought to be informed about the situation. I think the Members ought to know what is being done under this act. Perhaps the silver agreements with foreign countries have expired, but today the United States Treasury is taking all silver offered to it by foreign countries at 45 cents an ounce. That is what the Secretary of the Treasury told us when he appeared before our committee.

On top of that we are paying 45 cents an ounce for old domestic silver and we are paying 64 cents an ounce for newly mined silver. In December we were paying 77 cents an ounce for newly mined silver. There is no market price for silver in the world today. There is nothing whatsoever except the American Government's price; that is, a subsidy price for world silver that is being maintained by the United States Government.

That is the situation presented to you today and the proposition is: Do you want that subsidy to go on? Do you want an average subsidy of \$5,700 for every miner to go on, if the money actually gets through the big melting and refining companies to those miners? I repeat, \$5,700 to each miner as compared with a farm subsidy of only \$66 to each farmer. How do you like it? Do you want to vote for the continuance of that subsidy? The people in the West are entitled to fair treatment, but we must not go on with such a subsidy as that. We must not go on with something which is piling up a debt in the form of silver certificates against which we have nothing in the Treasury but silver valued at six times what it would be worth in the open market. I ask you to protect the people of the United States and stop this interminable drain upon the credit resources of America. I ask you to vote for this amendment.

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I dislike very much to say or do anything to discourage the budding evangelist from Pennsylvania, Mr. DITTER, but I can only say in connection with this amendment that it is a replica of what has gone before, a further effort to starve out a mandatory act of Congress by denying it an appropriation. If this amendment is adopted it will not in any way affect the subsidy and it will not in any way affect the act. The act will still remain on the statute books, imposing a mandatory demand upon the Secretary of the Treasury to do this work. The only effect of the amendment will be to deprive a few low-paid Government employees of their jobs. I hope the amendment will be disapproved.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Arizona. Mr. MURDOCK of Arizona. Mr. Chairman, I am pleased to notice the interest in a subsidy to the farmers which has been expressed on the other side of the aisle. The gentlemen of that persuasion have been long on subsidies in the past, subsidies to manufacturers by way of protective tariffs, subsidies by way of mail contracts, ship subsidies, and that sort of thing. They cry out now against a subsidy to silver. I may say, Mr. Chairman, that half the silver mines west of the Mississippi River, half the silver mines of this country, would close down without the 19-cent so-called subsidy which has been mentioned by our Republican colleagues. In behalf of the West and the entire country, I am thankful that the so-called subsidy was continued 2 weeks ago. I do wish it had been raised rather than lowered.

Mr. Chairman, I find that those who are objecting the most to this aid to silver are the men who are in favor of only one kind of money; that is, banking credit money. This country was built on the basis of metallic money—gold and silver—and silver is one of the two pillars on which this system rests. It will be a sad day for this country when one of these pillars is entirely removed, and this is exactly the object of the gentleman who offers this amendment.

I ask the Committee to give due consideration to silver, the money of the fathers. May I remind you that when the Government of the United States buys silver at 64 cents an ounce it is making a large profit at that, for the silver goes into money at \$1.29 an ounce. This feature should not be overlooked. In carrying on our present silver-purchase policy there is a double benefit to the country, aside from the employment afforded silver-mine employees and profits to silver-mine owners. I refer to the profits accruing to the Treasury and to the safe and sane stimulation of business by a natural increase of the people's money—the silver coins and silver certificates, constituting the bulk of the money in the purses of the common people. This is one kind of money over which the Congress yet has some control. Let us not surrender it.

Mr. DIES. Mr. Chairman, I ask unanimous consent to address the Committee for 10 minutes.

Mr. TABER. Reserving the right to object, Mr. Chairman, debate has been closed upon this amendment. It would not be fair for this request to be granted unless the proponents of the amendment may have 10 minutes to reply. I should have to object unless we were to change the whole situation.

The CHAIRMAN. The Chair may state there are 2 minutes left under the limitation of debate.

Mr. DIES. Mr. Chairman, I withdraw my request.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. DITTER].

The question was taken; and on a division (demanded by Mr. DITTER) there were—ayes 15, noes 69.

Mr. DITTER. Mr. Chairman, I make the point of order a quorum is not present and object to the vote on that ground.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and sixteen Members are present, a quorum.

So the amendment was rejected.

The Clerk read as follows:

OFFICE OF COMMISSIONER OF ACCOUNTS AND DEPOSITS

Salaries: For Commissioner of Accounts and Deposits and other personal services in the District of Columbia, including the Division of Bookkeeping and Warrants, \$350,000.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, understanding from the debate something of the amount, \$600,000,000, which has been paid to the silver-mine owners by the Government, and noticing on the floor so many gentlemen from Michigan who represent the automobile manufacturing districts, it occurred to me that possibly they might take a hint from the silver producers,

do something for the auto industry, the dealers, the owners of old cars, and something to relieve unemployment.

A few days ago when the head of General Motors appeared before the Senate Committee on Unemployment, he gave as one of the reasons for the discharge of some 30,000 workers at General Motors—and I believe some 35,000 workers of the Ford Co. were then unemployed, though since many have been reemployed—the failure of the sales market, which was, of course, due to the failure of the people throughout the country to buy old cars. These were glutting the market. He stated that the dealers were unable to dispose of the large number of such cars they had on hand; hence unable to purchase and sell new cars. So men were unemployed, wages were not being paid, purchasing power was falling.

If we are to tax all of the people to give a subsidy, as we have been doing for the last few years, to the producers of silver, who employ comparatively few men, is there any good reason why the Federal Government should not buy these old cars, junk them, scrap them, get them off the market, out of the way?

We are told there has been a scarcity of scrap metal. If these old cars are glutting the market and preventing the factories from operating, throwing hundreds of thousands of men out of employment and putting them on the relief rolls—especially in Detroit, where Frankenstein, the C. I. O., and, some say, the Communists, are assisting in distributing the taxpayers' money through relief agencies, to the members of the C. I. O.—is there any reason why we should not buy up these old cars and clear the market, and let the wheels of industry hum once more in Detroit, in Flint, in Pontiac, and all the motor cities, so the boys can go back to work?

Some may then say, with all these men at work, you see a wonderful increase in buying power. Purchasing power is what you are all talking about—that is the panacea for all our ills—according to some. This plan, if it works, would start the wheels of the perpetual-motion machines we hear so much about down here; dealers would be happy and prosperous; factories would be running at full capacity; workers would be drawing high wages; C. I. O. might even think business good enough to pull another sit-down strike. All the boys in the cities would be working at high wages. They would be able to buy the farmers' products at exorbitant prices—if it worked?

The cycle will be started again. High wages for the factory employee means, as just stated, he can buy at high prices from the farmer, who, in turn, can pay the hired man and the hired girl a living wage, and they, together with the farmer and his family, can purchase automobiles, radios, and the other products of the factory, which, in turn, can pay dividends, even to the economic royalists, high wages to the workers, and now you note we are back where we started—and the cycle is complete, the perpetual-motion machine is whirling, and all of our troubles are over—all solved by the enactment of a law and a Government appropriation.

That has been the pump-priming method heretofore followed. And this suggestion is just as foolish—no more so than several others that have cost us millions of dollars and which are, in part, responsible for the increase in the public debt, the continued lack of employment, the Roosevelt depression.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Michigan.

Mr. SADOWSKI. Is the gentleman in favor of doing that?

Mr. HOFFMAN. No; I am not personally in favor of that. This is just offered as another one of those cockeyed schemes you fellows have been adopting.

Mr. SADOWSKI. I may suggest the gentleman has a right to introduce a bill to that effect.

Mr. HOFFMAN. You have so many of those foolish ideas that this was just thrown out as a fellow casts a fly on a trout stream, just a cast for the sake of the pastime. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the gentleman from Michigan [Mr. HOFFMAN] admits that his is a cockeyed scheme, and that is the only kind of scheme the gentleman and his colleagues have been able to submit to the country.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I have not the time to yield.

Mr. HOFFMAN. Will the gentleman yield for a question?

Mr. SABATH. No.

Mr. HOFFMAN. The gentleman made a misstatement.

Mr. SABATH. No.

The regular order was demanded.

Mr. HOFFMAN. Just a moment. The gentleman made a misstatement.

The CHAIRMAN. The Chair will state that on yesterday there were statements injected into a Member's speech when the gentleman had refused to yield. Gentlemen should recognize the rule and not inject remarks into the Record unless the gentleman who has the floor yields for that purpose.

Mr. HOFFMAN. I rise to a question of personal privilege on the ground that the gentleman has made a misstatement, and if the Clerk will read it I will point out the misstatement. Once before the gentleman had to retract a statement made about me, and I want him to retract this one before he goes out of the Hall.

The CHAIRMAN. The gentleman from Michigan has not stated any ground for injecting a remark into the gentleman's speech. The remarks of the gentleman are not in order, and the gentleman from Illinois will proceed.

Mr. SABATH. I doubt very much whether I have misquoted the gentleman from Michigan. Nevertheless, it is true that not only the suggestions that came from him but that most of those that come from that side, or those controlling that side, have been, if not cockeyed, ridiculous and without any semblance of being constructive. I have received many communications from frightened, misled businessmen, urging that I support the so-called, in some instances 10- and in others only 8-point programs which were offered, I am sure, more as a jest but which were immediately utilized as propaganda by the fear-creating publicity fraternity.

Yes, I would not be surprised if the gentleman's proposal for the Government to purchase these old cars had not emanated from the officials of the General Motors Corporation whose meager salaries for the single year 1936 ran like this: Alfred P. Sloan, Jr., the then president, \$561,311; William S. Knudsen, then executive vice president and now president (including bonuses), \$459,878; Elmer G. Biechler, general manager Frigidaire division, \$108,958; Albert Bradley, vice president, \$282,849; Donaldson Brown, chairman finance committee, \$353,732; Arvin E. Coyle, general manager Chevrolet division, \$194,641; James M. Crawford, chief engineer Chevrolet division, \$103,492; Harlow H. Custice, general manager Buick division, \$137,605; Felix Dorah, Jr., assistant general sales manager Chevrolet division, \$158,127; Nicholas Breystadt, general manager Cadillac division, \$63,258; Harvey J. Earl, director art and color section, \$113,817; Edward F. Fisher, general manager Fisher body division, \$303,423; Lawrence P. Fisher, vice president, \$307,773; William A. Fisher, vice president, \$303,423; Richard H. Grant, director, vice president, \$288,394; Ormond E. Hunt, vice president, \$282,749; Charles F. Kettering, director research laboratories, \$304,400; Perry J. Klinger, general manager, Pontiac division, \$122,919; Frederick C. Kroeger, general manager Delco-Remy division, \$117,572; Charles L. McCuen, general manager, Olds division, \$129,103; James D. Mooney, vice president, \$290,450; Meyer L. Prentis, treasurer, \$106,666; John J. Schuman, Jr., president of General Motors Acceptance

Corporation, \$175,573; John Thomas Smith, general counsel, \$349,257; Charles E. Wilson, vice president, \$282,849.

Notwithstanding the fact that General Motors paid these extravagant salaries, that corporation's profit for the year was over \$300,000,000. Still the greedy, overpaid officials were not satisfied, but in conjunction with Mr. Ford and others had the audacity to lay off thousands of employees on the eve of the special session of Congress, no doubt hoping thereby to force the repeal of the capital-gains and the undistributed-profits tax and stop the enactment of the wage and hour bill that would have provided the stupendous salary to wage earners of \$16 per week. But as I stated on the floor on November 23, and again on December 17, their carefully laid plan to create a recession happily did not fool intelligent and well-informed men, although it did scare many timid investors into disposing of their stocks, which the connivers purchased at a low price and which price since January 3 has increased from 5 to 20 points.

The steel industry also managed to pay some fat salaries, although they did not reach the high marks of those of the officials of General Motors. E. G. Grace, president of the Bethlehem Steel Corporation, managed to draw down \$180,000; C. M. Schwab, chairman, Bethlehem, \$150,000; H. E. Lewis, chairman of board, Jones & Laughlin Steel Corporation, Pittsburgh, \$74,999; S. E. Hackett, president, \$66,666. Harry L. Frevert, president, Midvale Steel Co., Philadelphia, \$69,861. R. F. Taggart, president, Philadelphia & Reading Coal & Iron Co., \$60,541. Charles R. Hook, president, American Rolling Mill Co., Ohio, \$135,872; George M. Verity, chairman, \$71,261; Valvin Verity, vice president, \$99,702. J. E. Goerlich, Defiance Pressed Steel Co., Marion, Ohio, \$91,184. E. J. Kulas, president, Midland Steel Products Co., Cleveland, \$64,999. The same Mr. Kulas drew another salary of \$61,400 as president of the Otis Steel Co., of Cleveland. E. T. Weir, chairman of Weirton Steel, received \$71,785, and the same amount from the Great Lakes.

Yes, and the suffering Mr. T. M. Girdler, chairman of the Republic Steel Corporation, notwithstanding his shedding of crocodile tears, I see drew down \$174,999—not so bad for a single year. In that connection I have noticed that many of these highly paid officials' salaries are in odd amounts or just under round figures. Why the trifle \$174,999? Did he contribute \$1 for charity, or did that dollar under \$175,000 place him in a lower income-tax bracket?

I have mentioned but a few of the hundreds of large salaries paid in the steel industry. I could mention thousands of similarly fat salaries paid in industries other than motor and steel. Thomas J. Watson, chairman, International Business Machines Corporation, is listed for \$342,008. Vincent Fitzgerald, listed as a mere "salesman" for G. L. Ohlstrom & Co., received \$320,296. P. E. Martin, a Ford vice president, \$163,509. S. P. Skouras, theater manager, \$341,000. Herbert G. Shimp, president, American Conservation Co., \$45,843. George M. Eisenberg, president, American Decalcomania Co., \$52,000. B. G. Dahlberg, president, Celotex Corporation, \$75,308.

It should be understood that "salaries" often do not tell the whole story by any means. Hundreds if not thousands of wealthy men who are heads of corporations draw relatively small or no salaries, depending on their returns from their businesses, either in the form of dividends or increased value of their holdings.

If the gentleman from Michigan and those for whom he speaks had not willfully and deliberately created fear in the minds of the people a few months ago, it would not have been necessary for him to offer any such suggestion as the one he has offered about the Government purchasing these old cars that he refers to.

I will say that if things had been carried out as planned by those for whom he speaks, perhaps conditions may have developed where it would have been necessary for the Government again to step in and spend millions of dollars to help industry, but the Government has done its part. Ever since 1933 the Government has aided industry and the commerce of this Nation, and if it had not been for the willful and de-

liberate acts of those who were most aided and benefited, there would not have been any slump in the last 3 months. But I am happy to say that, notwithstanding this manufactured and wholly unnecessary recession, we are again going ahead in spite of those gentlemen.

I notice in this morning's paper that Mr. Ford is calling back 10,000 men. Day before yesterday I read that another automobile company is calling back 30,000 men. I notice the steel industry is increasing its force by thousands and thousands, and that a large percentage of steel orders are coming in. So I would advise my friend from Michigan, and the rest of them, to desist from willfully and deliberately trying to create fear in the minds of the people who are not informed, stop feeding the public misinformation, and join hands with us, the President and the administration, and I am confident that the prosperity which these big boys of industry have tried to destroy will be with us again. We are doing well and there is no need of any fear, and no need for the Government to purchase these old cars that are manufactured in the gentleman's State that get so old and useless in such a short time that it would keep the Government continuously broke to purchase them.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. Is not the reason for the large number of discarded cars due in large part to the fast increase in purchases of new cars during the last few years?

Mr. SABATH. Oh, there is no question about that.

Before ending these remarks I wish to state most emphatically that the country is not in the doldrums, as big business and its supporting press would have the people believe. Perhaps I can explain my feelings in this matter more plainly than I have been able to do in the short time allotted me on the floor by reading a letter I have this day forwarded to the Macfadden Publications:

JANUARY 15, 1938.

Mr. GUY L. HARRINGTON,
Vice President, Macfadden Publications, Inc.,
205 East Forty-second Street, New York City.

DEAR MR. HARRINGTON: As a Member of Congress for 32 years I have had daily contact with politics and government in theory and practice. Over this long span of years I have come to recognize and properly evaluate planned propaganda. With regard to the reprint of editorial to appear in Liberty's January 29 issue, which you sent me, and speaking with a bluntness which I feel it deserves, I condemn it as deliberately misleading and vicious.

Yours is a magazine circulating among the masses. As such it has a far-reaching influence for good or bad. By editorials such as this it instills fear and uncertainty in the minds of its readers.

Under the leadership of President Roosevelt and a Congress which you imply is not independent, the Nation has been saved from the complete demoralization it faced in 1933. It should not be necessary to point out that except for such leadership the tottering railroads, banks, insurance companies, and thousands of other industries and small businesses, as well as States and municipalities, faced inevitable bankruptcy.

By virtue of such leadership every class—not just one—has benefited. For the first time in any administration the farmer has been considered as an individual whose needs are real; the laborer as one worthy of his hire, and the masses as human beings and not as serfs of a chosen few.

As a new high in sophistry, I quote, from your editorial: "When the 1929 depression started, none of our citizens were on the dole and our material wealth was really not decreased. To be sure, prices went down like a toboggan; but the values were there and everything would have come back, as they had in all former depressions, in a big way, if the Government had encouraged and supported business."

I will pass over the first sentence of that paragraph. The millions of the depression who knew unemployment, hunger, and want could give it bitter reply.

To comment briefly on the last statement, let me remind you of the time when the Government's first concern undeniably was to encourage and support business—even more, to save business.

When Gen. Hugh Johnson permitted business, under the N. R. A., to write its own codes, nobody could charge that by background, training, and association he was rendered unsympathetic to its wants. Nor was there opposition to the Government's policy until an attempt was made to enforce the labor provisions of the N. R. A. and to assure the workers a living wage and decent working hours.

From that time new battle lines took form, and even General Johnson chose to pitch his tent in a new camp. The army with which he serves is a small one, though well fed. Its buglers are many, and if to me the notes of their horns are sour, still shall

they be happy to know that royalty finds their pipings indeed sweet music.

And this is verily an army of many slogans, catchwords, and phrases. All of us recognize them. "Raw deal," "rubber stamp," "blue eagle," "alphabet soup," "death sentence," "usurpation of power," "rubber money," "save the Constitution," and many others too numerous to mention. Their authorship unknown, they nevertheless are tainted from a common source, whether they be rediscovered in the remarks of Bernard MacFadden, Paul Block, Hugh Johnson, and the other lesser lights, or among the shower of literature distributed by the Liberty League, the National Policy Committee, or the many so-called industrial foundations, the very fountainheads of scurrilous propaganda. Corroded pens use mud for ink.

It is a high company these writers serve. You will find their names in the list of those whose salaries last year ranged from \$50,000 to \$500,000 (not including, of course, such minor items as bonuses, perquisites, and profits from stock manipulation).

My regret is sincere that the well-meaning small-business man, regrettably uninformed of the practices of the unscrupulous industrial leaders, is to some degree influenced by propaganda disseminated by controlled or biased mediums.

The strategy of those who seek to intimidate the President and Congress was clearly shown when, on the eve of the special session, branding the capital-gains tax and the surplus-profits tax as too burdensome and responsible for the recession, and hoping to force their repeal, a prearranged and calculating program of factory lay-offs took place.

Since the first of the year, after the wage and hour bill has been disposed of, thousands of workers have been reemployed and stocks have shown a steady advance.

In passing I might comment on the stock market, and how the maneuvers and manipulations of the speculator and financier also influence conditions, besides enriching the Wall Street gentry. On November 23, and again on December 17, I charged that Wall Street speculators had again completed a cycle of robbing the investors. The procedure is not an involved one, simply this: Stocks are depressed and then bought up at sacrifice prices. Thereafter, by wash sales and other manipulations, the market is artificially ballooned and stocks then dumped upon the public at peak prices. The market is then again depressed. A term owing its birth to Wall Street states the operation more simply as "shearing the lambs."

If I were to attempt rebuttal of Mr. Macfadden's argument—although frankly I do not believe he would receive my answer impartially—I would do so merely by comparing today with yesterdays.

For instance, nobody could charge that there was Government interference with business between 1918 and 1933. No wars raged abroad to threaten democracy and civilization; at home no floods, droughts, or other devastations faced our people. Nor was there, in those earlier years, an army of 16,000,000 unemployed. The fields, mines, and forests produced in overabundance. The Smoot-Hawley high tariff law was on the books, and in the White House sat Presidents never accused of dominating Congress or of even showing a remote interest in Wall Street's frenzied finance.

Still, those placid years culminated in the greatest upheaval this Nation has ever known. What has happened since 1933 is recent history, yet I often marvel at how short is the memory of those who have already forgotten. Their vision is too narrow, their philosophy too selfish, to understand the promise of a fuller life for all our people, and to lend their efforts to its fulfillment.

Very truly yours,

A. J. SABATH.

Why the press permits itself to be used for such a destructive purpose as to create fear and uncertainty abroad the land is beyond my comprehension, because in the long run the newspapers and magazines would themselves be injured financially by such policies. It is an old saying that chickens come home to roost. I humbly suggest that they desist and refuse to be used for such unpatriotic, or as it may be more properly designated, treasonable purposes which, if it were not for the strong hand of the President, might have brought about a real depression such as the one from which we have but recently emerged.

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I agree with the last speaker when he speaks of basing money on something that is sound, basing it on metal if we are to have an expansion of the money. The gentleman's remarks regarding the tariff impel me to call your attention to a problem that concerns us more directly at this point in the bill; that is, whether we are going to have any money in the Treasury collected from import duties.

Some of you were not present yesterday, so again I call the attention of those who were and those who were not, to

the public notice that was given by the Secretary of State and printed in the Record of January 8, dealing with a proposed trade agreement with Great Britain. This public notice lists the various commodities and various items on which it is proposed to consider granting concessions.

Public, No. 316 of the Seventy-third Congress, the act which amended the Tariff Act of 1930 and constitutes the so-called Reciprocal Trade Agreements Act contains this sentence:

No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty, or transfer any article between the dutiable and the free list.

Consulting the list of items which the Secretary of State sets forth in the notice of the proposed agreement with the United Kingdom are several articles, you will find both manufactured products and raw materials on which the duty has already been reduced 50 percent. The inescapable conclusion is that it is now proposed to consider granting concessions on items that are already reduced 50 percent. The point at issue depends upon the interpretation of the sentence I read from the Reciprocal Trade Agreements Act as to what constitutes the existing rate of duty.

Does the phrase "existing rate of duty" apply to the duties that were in effect at the time that act was passed, or does the phrase "existing rate of duty" mean the rate of duty that might be established by once cutting the rate and then cutting it again?

The inevitable effect will be of immediate concern to every Member of Congress, to every congressional district. If you go into this subject, you will find that cotton items, cordage, whisky, and several other items already have had the duties affecting them reduced 50 percent; and it is now proposed that further concessions will be considered.

I am not discussing whether these particular tariff rates should be higher or lower, but I do raise this question: Can tariff rates be cut 50 percent by one trade agreement and then be cut 50 percent again and again without any action by Congress?

Business, we are told, is in a state of uncertainty. Now it appears that industry, that cotton growers and wool growers, lumbermen and miners, factory workers and farmers, who already have had the tariff rates on competitive products reduced about 50 percent, can wonder today whether they are to be cut in half again. It is an old story that business is restless while a tariff bill is pending in Congress; but if there is to be no point of rest in tariff duties, business can be expected to be in a constant state of jitters.

The thought I have in mind as to the unsettling effect of this proposal upon business, an effect that will continue unless something is determined, is well expressed in some words from the third chapter of Ecclesiastes, which were quoted in the Washington News today, which reads as follows:

To everything there is a season, and a time to every purpose under the heaven.

A time to be born, and a time to die; a time to plant, and a time to pluck up that which is planted.

A time to kill, and a time to heal; a time to break down, and a time to build up.

A time to weep, and a time to laugh; a time to mourn, and a time to dance.

A time to cast away stones, and a time to gather stones together; a time to embrace, and a time to refrain from embracing.

A time to get, and a time to lose; a time to keep, and a time to cast away.

A time to rend, and a time to sew; a time to keep silence, and a time to speak.

The printing of these words in the News today was inspired by the remarks of the President with regard to holding companies; but I submit that it is just as important at this time when we are trying to restore and build up confidence in the country, to know whether or not tariff schedules that have already been cut 50 percent can be cut again without congressional action. This matter should be settled. For this reason I introduced a resolution of inquiry on the subject yesterday.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. CRAWFORD. Does the gentleman know of any way in which we can get the real facts with reference to the nature of the articles and the amount of the reduction in the tariff?

Mr. CASE of South Dakota. Yes; I think we can if the Secretary answers the resolution which I introduced yesterday.

Mr. CRAWFORD. The gentleman has not any idea he will get an answer to his resolution, has he?

[Here the gavel fell.]

By unanimous consent the pro forma amendment was withdrawn.

The Clerk read as follows:

PUBLIC DEBT SERVICE

Salaries and expenses: For necessary expenses connected with the administration of any public-debt issues and United States paper-currency issues with which the Secretary of the Treasury is charged, including the purchase of lawbooks, directories, books of reference, pamphlets, periodicals, and newspapers, and the maintenance, operation, and repair of a motor-propelled bus or station wagon for use of the destruction committee, and including the Commissioner of the Public Debt and other personal services in the District of Columbia, \$2,300,000: *Provided*, That the amount to be expended for personal services in the District of Columbia shall not exceed \$2,271,500: *Provided further*, That the indefinite appropriation "Expenses of loans, act of September 24, 1917, as amended and extended" (31 U. S. C. 760, 761), shall not be used during the fiscal year 1939 to supplement the appropriation herein made for the current work of the Public Debt Service and the amount obligated under such indefinite appropriation during such fiscal year shall not exceed \$3,500,000.

Mr. TABER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 13, line 5, strike out "\$3,500,000" and insert in lieu thereof "\$3,444,860."

Mr. TABER. Mr. Chairman, this amendment is offered to reduce the amount that will be available for the Bureau of Research and Statistics. It will cut the amount carried in the green sheet submitted to this Committee for the purpose of carrying on this item under that activity.

We have already passed upon an item carrying \$170,000 for this Bureau, which is an increase of \$110,000 over the amount carried in the regular appropriation bill for this Bureau for the current fiscal year. With \$170,000 they have ample funds to do everything and they have, as a matter of fact, three times more than they need to take care of the operations of the Treasury Department for research and statistics.

There is considerable duplication between their operation and the operation of the Bureau of Foreign and Domestic Commerce. There is considerable duplication between their operation and the Federal Reserve Board. This is an opportunity to save \$65,140, and I hope the amendment will be agreed to.

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there is really not much to be said about this matter, because it has been before the Committee previously in connection with several votes of the Committee. This amendment is offered as a part of the program of the gentleman from New York [Mr. TABER] to take away the appropriation for the enforcement of the Silver Purchase Act.

Mr. TABER. No. If the gentleman will yield, may I say this relates to the Bureau of Research and Statistics.

Mr. LUDLOW. My attention was turned in another direction when the amendment was offered. I understand it relates to the Bureau of Research and Statistics.

As I stated, we have drastically reduced this appropriation for the fiscal year 1939 so that the amount available for the fiscal year 1939 is \$225,000 as against \$358,490 for the fiscal year 1938.

Mr. Chairman, this Bureau is the eyes and ears of the Secretary of the Treasury in his efforts in connection with the financial administration of the Government. It is a

very highly important part of the Federal machinery, and I think the Subcommittee on Appropriations has reduced it to the very lowest point that is consistent with sound administration. I therefore hope the amendment will be voted down.

Mr. CLASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it occurs to me if they want to reduce these appropriations it might be well for the Democrats to pay these officeholders with this silver for which the United States Government is paying 64.64 cents an ounce. You will find by consulting the New York papers of today that the price of silver on the New York market is 44.75 cents.

The gentleman from Texas stated that when the Government pays one-half of 1 percent of the price of the new silver that is mined, at prices established by the Government, it is making a fine profit. I would like to know what is going to take care of the 20 cents difference in price of silver, because today you can buy silver mined anywhere else in the world for 44.75 cents, while the United States Government pays 64.64 cents. When the Government stands to make this big profit that has been spoken of I would like to know in what market it is going to sell the silver. It cannot sell it to American citizens, because they will be wise enough to buy foreign silver at 44.75 cents while the Government has already paid 64.64 cents. The United States Government goes down into Mexico and buys millions of ounces of silver, knowing it is paying 20 cents more an ounce than they would otherwise have to pay for it on the New York market, or if they bought it right at home in New York.

The same situation applies to gold. When Great Britain gets through with this reciprocal-trade agreement they will sell us gold at \$35 an ounce mined in their Dominions. We could, of course, in the old days get the gold for \$20.67 an ounce. The British will probably sell us the trade agreement on exactly that same basis. They will sell us wool, cotton, and other stuff at \$34, \$35, or \$36, whereas we should only pay \$20.67. For this reason it seems to me we ought to be careful about these reciprocal-trade agreements. We know today we are giving them an advantage of \$15 an ounce for South African gold. This is an increase of \$15 an ounce over what the American taxpayers ought to pay for it in the world market.

What are we going to do with the \$12,000,000,000 worth of gold which we already have? When we get ready to unload it we will have no place to sell it. It is no good at present. You cannot redeem it. There are no gold dollars around. You cannot get a dollar's worth of gold for a dollar bill.

Mr. Chairman, this has gone pretty nearly far enough, and extending our silver purchases beyond the domain of the United States to Mexico and other countries is going altogether too far.

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. CLASON. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Is the gentleman aware of the fact that we have an embargo on the shipment of domestic gold abroad, which forced the domestic producers of gold to sell gold in this country for \$20.67 when they could have gotten \$28 and \$29 for it in the open market in London? The market in London was above \$20.67 when we raised it in this country.

Mr. CLASON. I was not aware of that fact, but I know we have \$12,755,000,000 worth of gold belonging to the United States Government at the present time which, up to January 31, 1934, or until changed by Executive order, was worth around \$20.67 an ounce. The dates are immaterial. It looks to me as if when we unload we are going to increase the deficit of the United States Government by about \$4,000,000,000.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Does the gentleman know when he goes down to cash one of his checks and he is paid in silver certificates that that is the way the silver is handled, and that all the ones, fives, and tens he receives as his compensation for his work in this House are dug up by the silver miners, and that the Government is making 100 percent on the transaction? Does he know that?

Mr. CLASON. Yes; I know that, but I want the gentleman to understand something further. You can bring the silver out of the United States Treasury and it is worth in the current market only 44.75 cents. It is not worth the fictitious value of 64.64 cents.

[Here the gavel fell.]

Mr. O'NEAL of Kentucky. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I call the attention of the Committee to the fact the amendment offered by the gentleman from New York [Mr. TABER] has nothing to do with the question now under debate. It is very interesting to hear about the Silver Purchase Act and the various opinions about it, but I believe the Committee should take action on the amendment which seeks to reduce the appropriation for the Division of Research and Statistics. The chairman of the subcommittee has presented the opposition to this amendment. The Treasury Department is opposed to any further reduction and substantial reductions have been made. I believe the Committee should proceed now to vote on the amendment, and I trust the Committee will vote it down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 13, noes 45.

Mr. TABER. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 6]

Allen, Del.	DeRouen	Johnson, Lyndon	Reilly
Allen, Ill.	Dickstein	Keller	Rich
Allen, Pa.	Dirksen	Kelly, N. Y.	Robinson, Utah
Arnold	Dixon	Kennedy, N. Y.	Rogers, Okla.
Atkinson	Dockweiler	Kenney	Rutherford
Bacon	Dorsey	Kerr	Sabath
Barry	Douglas	Kinzer	Sacks
Barton	Drew, Pa.	Kopplemann	Satterfield
Biermann	Drewry, Va.	Kvale	Schneider, Wis.
Bigelow	Duncan	Lanzetta	Scrugham
Bloom	Eaton	Larrabee	Secrest
Boylan, N. Y.	Edmiston	Lesmke	Seger
Bradley	Evans	Lesinski	Simpson
Buckley, N. Y.	Faddis	Lewis, Md.	Sirovich
Byrne	Farley	Lord	Smith, Me.
Carter	Ferguson	Lucas	Smith, Okla.
Cartwright	Fish	McGranery	Smith, Va.
Celler	Pitzpatrick	McGrath	Smith, Wash.
Champion	Ford, Calif.	McGroarty	Smith, W. Va.
Chapman	Frey, Pa.	Mahon, S. C.	Somers, N. Y.
Clark, Idaho	Fulmer	Nichols	Stack
Clark, N. C.	Gamble, N. Y.	Norton	Sullivan
Cluett	Gambrill, Md.	O'Connell, Mont.	Sweeney
Coffee, Wash.	Gasque	O'Connor, Mont.	Swope
Cole, Md.	Gavagan	O'Day	Taylor, Tenn.
Cooley	Gifford	O'Leary	Teigan
Costello	Goldsbrough	O'Neill, N. J.	Thomason, Tex.
Cox	Gray, Pa.	Owen	Tinkham
Creal	Haines	Palmisano	Tobey
Crowther	Hamilton	Pettengill	Wene
Daly	Hartley	Pfeifer	Whelchel
Deen	Hennings	Phillips	Wilcox
Delaney	Holmes	Quinn	Withrow
Dempsey	Jarrett	Ramspeck	Wolfenden

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GREENWOOD, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 8947) and finding itself without a quorum, he had directed the roll to be called, when 294 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The Committee will resume its sitting. The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

Mr. O'NEAL of Kentucky. Mr. Chairman, I make the point of order the amendment offered by the gentleman from New York was voted on and the vote announced. The gentleman from New York then made the point of order a quorum was not present. The gentleman did not object to the vote on the ground a quorum was not present. I ask that my point of order be sustained.

The CHAIRMAN. The point of order is overruled, for the reason that a quorum must be present when a point of order is made that a quorum is not present.

The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 10, noes 119.

So the amendment was rejected.

The Clerk read as follows:

For salaries and expenses in connection with carrying out the provisions of the Silver Purchase Act of 1934 and any Executive orders, proclamations, and regulations issued thereunder, including not to exceed \$14,000 for personal services in the District of Columbia, supplies and materials, traveling expenses, printing and binding, rents, equipment, and miscellaneous expenses, \$40,000.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 19, strike out lines 8 to 14, inclusive.

Mr. TABER. Mr. Chairman, this is another amendment offered for the purpose of stopping the operations of the Treasury Department under the Silver Purchase Act. It is manifest this is the only possible way for Congress to reach this operation.

Many things have been said about this proposition which ought to be called to the attention of the House. These silver certificates are redeemable in silver at \$1.29 an ounce, three times the current subsidized market and six times what the actual value would be in the open market if there were no subsidy on the part of the Government. This means the certificates are not redeemable at all, because a dollar is still worth more than that. If we are ever going to quit the silver business we should quit now, before we add another \$150,000,000 a year to the liabilities of the Government by issuing silver certificates against the silver. We are getting something which will produce almost nothing. We ought to begin to do this now, and I hope the amendment will be adopted.

Mr. WHITE of Idaho. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have been very much interested in the statement of the opponents of the silver policy of the present administration. If there is any monetary policy of the Federal Treasury on which the Government and the people of the United States are making a profit and being relieved of an interest load, it is the silver policy of the present administration.

I assume the gentleman receives every morning a Treasury statement, which gives the figures of the operations of the Treasury in purchasing silver. I assume that when the gentleman receives his pay, and goes to the office of the Sergeant at Arms and cashes a check, and finds he is paid in silver certificates of denominations of 1, 5, or 10 dollars, certificates which will buy anything he can purchase with a Federal Reserve note, he does not refuse to accept that kind of pay. If the gentleman will go over to the cashier's cage in the office of the Sergeant at Arms of the House, or the disbursing officer of the Senate, he will find the silver miners of the United States are digging up the money to pay the running expenses of this Congress, and that the Government is profiting 100 percent on that operation.

The gentleman will also find, if he will make a little investigation, that these silver certificates flow into the channels of trade minus interest. If we should discard silver certificates and replace them with Federal Reserve notes

the business of this country would be loaded with an additional interest cost. If we figure 3 percent on the billion dollars in silver certificates, and this would be the rate of interest paid on the obligations required to support Federal Reserve notes, the people of the United States are being relieved of \$30,000,000 of interest a year. Of course, the gentleman would like to see the people pay more interest. He would like to see business loaded with greater expense.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Idaho. I cannot yield to the gentleman. I asked the gentleman to yield to me. I do not believe the gentleman wants the facts on silver brought out before the Committee.

I hold in my hand the Treasury statement of January 12. We have silver on hand in the amount of \$944,448,417.50, and silver dollars in the sum of \$503,743,502, or a total of \$1,448,191,919.50 in silver.

Let me remind the members of the Committee that every dollar of this money is now in circulation in the form of silver certificates, transacting the business of this country. It is good money and is accepted and does the same business any other dollar would do. The Government is making a profit of 100 percent on the operation. The gentleman would like to cut this off. He would like to cut off the profits of the American people. He wants to load them with more interest.

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE of Idaho. On the other side of the Treasury statement of January 12, we find silver certificates outstanding \$1,394,067,423.

Backing for the Treasury notes of 1890, \$1,170,472.

Silver in the general fund, \$52,954,000.24.

This makes a total of \$1,448,191,919.58, and we find if we check back to August 12 that since that time the Government has increased the silver certificates in circulation \$69,528,312.

Every time a silver ounce is purchased the equivalent is put out in silver certificates that flow into the channels of trade. This goes to relieve the money stringency and gives us money to conduct the business of the country.

The gentleman likes to talk about the velocity of money. What money circulates faster in this country than the \$1 bill?

Mr. PETTENGILL. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Idaho. My time is limited and I would like to get this matter before the Committee. I am sorry, but I can not yield.

I repeat that if there is any policy of the Federal Treasury on which the people of the United States are making a profit and relieving the people of an interest load, it is the silver policy of the present administration. This is one of the most constructive money plans this country has ever put into operation.

I am glad to find that our Republican friends are standing up to a man in opposition to this silver policy. I just hope we can get a record vote and let our Republican friends in the great Western States and all over the country who are interested in money and know the need of this country for money in circulation, get a record of the position of the Republican leadership in this House. I thank the Republicans for their expression of sentiment, and, Mr. Chairman, I yield back the balance of my time.

Mr. LUDLOW. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 5 minutes.

The motion was agreed to.

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

The issue that is involved here has been passed upon several times today by the Committee of the Whole.

This is another step in the program of the gentleman from New York [Mr. TABER] to nullify the Silver Purchase Act by indirection through depriving them of appropriations. I have no criticism of the gentleman for that, but our committee believes that as long as this statute remains on the books and the mandatory duty is imposed upon the Secretary of the Treasury to enforce it, it would not be fair or right to deprive him of the necessary personnel to enforce it.

I call attention further to the fact that this particular item of \$40,000, which it is proposed to strike out, provides the personnel that collects annually and turns into the Federal Treasury about \$700,000 in taxes. So the cost of this personnel is abundantly justified by the results, and I hope the Committee will vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 11, noes 81.

So the amendment was rejected.

The Clerk read as follows:

Pay and allowances: For pay and allowances prescribed by law for commissioned officers, cadets, warrant officers, petty officers, and other enlisted men, active and retired, temporary cooks, surfmen, substitute surfmen, and three civilian instructors, retired pay for certain members of the former Life Saving Service authorized by the act approved April 14, 1930 (14 U. S. C. 178a), and not exceeding \$8,000 for cash prizes for men for excellence in boatmanship, gunnery, target practice, and engineering competitions; for carrying out the provisions of the Act of June 4, 1920 (34 U. S. C. 943); not to exceed \$7,500 for cost of special instruction, including maintenance of students; rations or commutation thereof for cadets, petty officers, and other enlisted men, mileage and expenses allowed by law for officers; and traveling expenses for other persons traveling on duty under orders from the Treasury Department, including transportation of cadets, enlisted men, and applicants for enlistment, with subsistence and transfers en route, or cash in lieu thereof; expenses of recruiting for the Coast Guard, rent of rendezvous, and expenses of maintaining the same; advertising for and obtaining men and apprentice seamen and applicants for appointment as cadets; transportation and packing allowances for baggage or household effects of commissioned officers, warrant officers, and enlisted men, \$18,037,000: *Provided*, That no part of this appropriation shall be used for increased pay at a rate in excess of \$1,440 per annum to any nonflying commissioned officer or commissioned officer observer for making aerial flights; which rate shall be the legal maximum rate of such increased pay as to any such officer;

Mr. SCOTT. Mr. Chairman, I offer the following amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SCOTT: Page 25, line 1, strike out "\$18,037,000" and insert in lieu thereof "\$18,296,248."

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield to me for a moment?

Mr. SCOTT. Yes.

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SCOTT. Mr. Chairman, this amendment provides for \$259,248 to pay the reenlistment allowance in the Coast Guard. Heretofore this particular bill has carried a provision doing away with the payment of the reenlistment allowances in the Coast Guard, the Army, and Navy. The bill does not carry that restriction this year; but, as far as I can find out, it does not carry a provision for money to pay the reenlistment allowance. It is estimated by the Coast Guard that this would take \$259,248.

Mr. LUDLOW. Mr. Chairman, of course, the gentleman is interested in getting sufficient funds to pay the reenlistment bonuses. I wonder if he thought of the possibility that out of this large blanket appropriation provided in the bill for the Coast Guard, amounting to \$18,037,000, there might be found sufficient funds to pay this bonus. There is no prohibition against it, and, on the contrary, there is a mandatory duty imposed upon the Coast Guard to pay these bonuses. I would say for the gentleman's information that the Coast Guard does not expect to use this entire appropriation this year by

\$200,000, which would indicate that possibly out of this large total appropriation there might be found for 1939 sufficient money to pay the bonuses. I wonder if the gentleman thought of that.

Mr. SCOTT. I had, and I ask the gentleman this question: The existing law directs that it should be paid. In the gentleman's opinion, will there be money enough left over from which this can be paid, and will it be mandatory on the Coast Guard to use the money they have left over to pay this because of existing law?

Mr. LUDLOW. The prohibition is not inserted, and I understand it will be mandatory to pay this. Of course, I have not consulted the Admiral of the Coast Guard. He has charge of these appropriations, but there is the legislative situation. They are under mandatory requirements at the present time to pay these reenlistment bonuses.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield to permit me to ask a question of the chairman of the committee?

Mr. SCOTT. Certainly.

Mr. WADSWORTH. Undoubtedly when the Subcommittee on Appropriations in charge of this bill examined this item of \$18,037,000, there must have been a break-down of it submitted by the Budget or by the Treasury Department as to what types of pay should be covered by the \$18,037,000 as carried in the bill. I want to know if that occurred and involved the pay of the reenlistment allowances.

Mr. LUDLOW. There was a break-down, and in that preliminary break-down there was no provision for the payment of the reenlistment allowances.

Mr. WADSWORTH. That is what I suspected.

Mr. LUDLOW. The text of the bill contained this ban, and we decided, inasmuch as a point of order would be made against the ban, that under general authority and the mandatory requirements, in the absence of a ban the reenlistment bonus would be paid.

Mr. WADSWORTH. I assume, of course, that the Coast Guard authorities will obey the law and pay the men as the law requires. I was merely anxious to find out the intent of the committee.

Mr. LUDLOW. The committee believes that out of such a large appropriation there might be found enough money to pay this.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. Yes.

Mr. TABER. Is it not a fact that last year a similar appropriation along this line showed a very substantial saving?

Mr. LUDLOW. I understand so.

Mr. TABER. And has not the President set aside from the appropriation this year upward of a million dollars, according to tables furnished to the committee?

Mr. LUDLOW. There was a \$200,000 balance in 1937, and there will be about that balance this year.

Mr. TABER. The whole committee felt that there was more money in this appropriation than there should be; but in view of this situation, we left it alone and did not cut it.

Mr. LUDLOW. We felt that it could be paid.

Mr. SCOTT. Mr. Chairman, with the understanding, from the statement of the chairman, that the money will be there, and that the legislation is mandatory that it be paid, and that we can expect the Coast Guard enlisted personnel to get their reenlistment allowances in the future, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

Salaries and expenses: For the Director, two Assistant Directors, and other personal services in the District of Columbia, including wages of rotary-press plate printers at per diem rates and all other plate printers at piece rates to be fixed by the Secretary of the Treasury, not to exceed the rates usually paid for such work; for engravers' and printers' materials and other materials, including distinctive and nondistinctive paper, except distinctive paper for United States currency and Federal Reserve bank currency; equipment of, repairs to, and maintenance of buildings and grounds and for minor alterations to buildings; directories, technical books and periodicals, and books of reference, not exceeding \$300;

traveling expenses not to exceed \$2,000; miscellaneous expenses, including not to exceed \$1,500 for articles approved by the Secretary of the Treasury as being necessary for the protection of the person of employees; for transfer to the Bureau of Standards for scientific investigations in connection with the work of the Bureau of Engraving and Printing, not to exceed \$15,000; and for the maintenance and driving of two motor-propelled passenger-carrying vehicles; \$9,200,000, to be expended under the direction of the Secretary of the Treasury.

Mr. SHAFER of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHAFER of Michigan: Page 29, line 8, strike out "\$9,200,000" and insert in lieu thereof "\$8,700,000."

Mr. SHAFER of Michigan. Mr. Chairman and members of the Committee, I offer this amendment in a sincere effort to cooperate with the administration in bringing about a decrease in unnecessary and wasteful expenditures by departments of the Federal Government.

My amendment provides for a reduction of \$500,000 in the appropriation for the Bureau of Printing and Engraving—from \$9,200,000 to \$8,700,000, or approximately 5 percent.

I propose this amendment because I know that this amount, and more, is being needlessly spent each year in the printing of certain revenue stamps. From \$500,000 to \$1,000,000 can be saved each year in the operating expense of the Bureau of Printing and Engraving by merely changing the process in printing just two types of stamps.

To begin with, permit me to explain that there are three major processes of printing now employed at the Bureau.

First, there is the letter-press process whereby paper is printed from type.

Second, the process known as lithography, whereby paper is printed by offsetting the design from a rubber blanket, the design being made from photographed plates.

Third, plate printing or engraving, the process used in printing our currency and Government bonds. This is the most expensive process known to the printing industry, the printing being done from intaglio, or steel-engraved plates.

Since the repeal of the prohibition law, or eighteenth amendment, the Bureau has been printing a red whisky stamp, used to designate bottled blended whisky. The printing of these red stamps has been allocated to the process known as plate engraving at a cost of \$29.75 per 1,000 sheets.

Now, it so happens the Bureau also prints a green stamp, used to designate bottled bonded whisky. This stamp has been in use from the first days of the prohibition era and is still in use, and it has always been printed by the offset lithographing process at a cost of \$7.25 per 1,000 sheets, or \$21.46 per 1,000 sheets less than the cost of the red stamps.

According to the Bureau's own figures, 20,590,000 sheets of the red stamps were printed during the period from July 30, 1935, to June 30, 1936, by the plate-engraving process. This means that at a cost of \$29.75 per 1,000 sheets, the total cost of producing these stamps was \$612,552.50.

Had these same red stamps been produced by the process of lithography the cost would have been \$7.29 per 1,000 sheets, or a total cost of \$150,101.10, or a saving of \$462,451.40.

During this same period—July 1, 1935, to June 30, 1936—the Bureau also printed 5,000,000 sheets of beer revenue stamps by the process of plate engraving and at a cost of \$29.75 per 1,000 sheets and at a total of \$148,750. Had this job been allocated to the process of lithography the same number of beer stamps could have been produced at a cost of \$36,450, or a saving of \$112,300.

Add this \$112,300 to the \$462,451.40 that could have been saved by the printing of the red whisky stamps by lithography, and you will get a total of \$574,751.40 that could have been saved in the printing of only these two items over a 12-month period. Certainly this amount is worth saving.

At the rate these same labels have been turned out during the first 6 months of the present fiscal year, a greater saving could be made if the printing of the red whisky stamps and the beer stamps would be allocated to the lithographing process. My figures show that from January 1, 1937, to December 31, 1937, the Bureau printed 27,000,000 of these

red stamps at a total cost of \$803,250. Had this same number of stamps been produced by lithography the cost would have been \$195,750, or a saving of \$607,500 during that period.

That the printing of these stamps by offset lithography is logical and safe is proven by the fact that the green bonded whisky stamp has always been produced by this process. Also the 6-cent cigarette revenue stamp. In fact, more than 80 percent of the revenue stamps are printed by the offset lithography process.

In my investigation of this matter the only argument advanced against printing the red stamps by lithography was the question of security against counterfeiting. Of course this argument does not hold water in view of the fact that other more important stamps are printed by the method I suggest. Printing by either process can be counterfeited, one as easily as the other.

These stamps are sold by the Government to the distillers for 1 cent each. Certainly there would be no profit in counterfeiting these stamps.

By adopting my amendment the Committee will today force the Bureau of Printing and Engraving to allocate the printing of these red whisky and beer stamps to the process of lithography and will thereby save the taxpayers this needless and wasteful expense.

Only yesterday Mr. Henry Morgenthau, Secretary of the Treasury, was quoted by newspapers with the statement that expense cuts, rather than increased taxes, must be effected in government. The Bureau of Printing and Engraving is in Mr. Morgenthau's own Department. Here is a good place to begin saving.

If you are sincere in your efforts to reduce Government costs, you will adopt my amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 3, noes 42.

So the amendment was rejected.

Mr. HOOK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the last regular session of Congress this Nation extended to the nations of Sweden and Finland an invitation to participate in the tercentennial celebration of the first white settlement in the Delaware River Valley.

We witness today the first of the official visitors from Finland. They arrived this morning at 12:35, at which time I had the privilege and honor of welcoming them to our Nation's Capitol. It is a chorus from the University of Helsingfors, and they are here to participate in the celebration that was arranged for by this Congress. It is said by the leading musicians of Europe that this chorus is one of the best in the world.

It will be interesting to the Members to know that in 1638 about 200 Finnish people arrived in this country, and together with the Swedish people established New Sweden in the Delaware Valley. From those pioneers developed some of the founders of American democracy; in fact, one of the descendants from that group was among the signers of the Declaration of Independence. John Morton, Jr., great-grandson of Martti Martineu, was that person. This group arrived about 138 years prior to the signing of that document. We are proud of the fact that their descendants have become some of the greatest citizens of our country.

We are proud of the fact that Finland is the only nation that has honestly and promptly paid her debt to the United States of America. [Applause.] We, the Members of the House of Representatives, are pleased to know that representatives from that great nation are now in the city of Washington for the official purpose of participating in the Delaware Tercentennial for which we provided. [Applause.]

The Clerk read the bill down to line 18, page 29.

Mr. LUDLOW. Mr. Chairman, I move the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GREENWOOD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 8947, the Treasury and Post Office appropriation bill, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DEMPSEY (at the request of Mr. GREEVER), for 1 day, on account of illness.

To Mr. McGRATH (at the request of Mr. SCOTT), for 1 day, on account of illness.

To Mrs. NORTON, indefinitely, on account of illness.

ANNIVERSARY OF CIVIL SERVICE COMMISSION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 2½ minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, there is reference today in the Washington Post to the history of the Civil Service Commission. The Washington Post carried an entire page of pictures pertaining to the civil service. On tomorrow the Civil Service Commission will be 55 years old.

Personally, and as ranking minority member of the Civil Service Committee, I want to pay my tribute and express my appreciation for the splendid work done by the Civil Service Commission, often under heavy odds, during these 55 years. My wish is that during the present year and the years to come there will be for the Civil Service Commission a better understanding and better support for the fine services rendered by that Commission. According to its report this year, in spite of the pledge of the New Deal administration, it has had an extremely difficult time in order to maintain the merit system.

Today, Mr. Speaker, the Civil Service Commission is fighting for its very life. I shall read part of the annual report made to Congress to carry out my contention. The report is as follows:

This year has seen an increasing growth of public interest in the merit system, unequalled since the days of the popular movement which culminated in the passage of the Civil Service Act of 1883. This interest has been manifested in news columns and editorials of the press, in activities of nonpartisan reform organizations, in studies by progressively larger numbers of young men and women in colleges and universities, in declarations by leaders of all political parties, and in the public-opinion polls.

Legislation has not been responsive to this popular acclaim of the merit principle. There has been no important extension of the civil service during the fiscal year. On the contrary, bills introduced to create new agencies included 146 which exempted all personnel from the provisions of the Civil Service Act and rules and numerous others which proposed partial exemptions. Of these measures, 21 providing for total exemptions have been enacted into law.

These exemptions no doubt reflect in a measure the tendency to permit wholesale exemptions in emergency agencies created during the early stages of recovery from the financial depression. At that time, however, the Government faced the necessity of placing large groups of employees at work in an extremely limited period; moreover, those agencies then seemed to be temporary.

These positions soon formed a convenient field for political exploitation. The extent to which the positions were treated as political spoils has become the subject of public condemnation, but the practice of filling large numbers of positions by political patronage becomes increasingly difficult to abolish. During the past year friends of the merit system in Congress have had to maintain a constant struggle to prevent a complete triumph of the spoils system. All too frequently their efforts against its encroachments have been ineffective.

So marked was this tendency that on May 26, 1937, the Commission addressed a special communication to the President reading as follows:

"The Commission has been greatly disturbed by the increasing number of bills introduced in this session of Congress containing provisions which completely exempt from the merit system employments thereunder. There have been more than 70 such bills, 3 or 4 of which are now law. In addition there have been numerous bills introduced which contain exemptions of all but minor positions.

"The merit system fully warrants its designation because it provides for free and open competition by the public to secure

employment in all grades of positions in the Federal classified service. Two of the recent bills transgress even this fundamental principle of open competition for admission to the classified service. They provide that after a period of service in a nonclassified position the incumbent employee may secure a classified civil-service status by noncompetitive examination thus becoming eligible for transfer to a classified position in one of the regular 'old line' establishments, and yet his position will continue to be exempt and be open for personal or political appointment.

"The merit system without question is good business administration, making for the utmost in economy and efficiency, and the Commission, therefore, urges that the President take whatever steps are necessary to place his great influence in public opposition against the continuance of such proposals and their enactment into law."

The President forwarded this letter to the Vice President of the United States and the Speaker of the House of Representatives with the following statement:

"Aside from the undoubted fact that the merit system affords the best method for administration of Government business, the particular feature of the system which has the greatest appeal is the open competition it provides to the taxpayers to seek the public employment for which they pay. Please let me urge upon the Congress the desirability of placing all but policy-forming positions under the merit system."

Nevertheless, in the closing days of the session, Congress climaxed its record of exemptions by enacting the Wagner-Steagall Housing Act, which excepted from the operation of the Civil Service Act and rules all positions affected paying in excess of \$1,980 per annum.

This growing tendency to introduce legislation in Congress exempting positions from the civil-service law is a matter of grave public concern.

The selection of employees through impartial examinations and the more secure tenure in office afforded by the competitive classified civil service increases the efficiency of the service and saves the taxpayers money. Competitive examinations bring into the service better trained employees. The knowledge on their part that their responsibility is to the public and not to political sponsors improves their morale and impels them to give more wholehearted service to their work, and the increase in longevity of the employment gives them an opportunity for increased knowledge of the work.

The unanimity of opinion with regard to promotion of the merit system would appear to guarantee legislative support to its extension and principles. No debate should be necessary in connection with legislation to determine the procedure to be followed in selecting public employees. It should be taken for granted that appointments in all agencies, old and new, will be made on merit competitively established. An effective executive civil service cannot be maintained on a half-merit, half-spoils basis. The solemn pledges of political parties and their leaders, the wholehearted support of the American press, and the attitude of the American public in favor of the merit system should be respected. Wholesale exemptions such as have been permitted in the past year must cease if the merit system is to prevail.

Mr. Speaker, the Congress, over the protests of some of us, has passed bill after bill during the past few years in which the administrative set-ups provided for have been given authority to get their personnel from outside the civil-service regulations. The position, in other words, Mr. Speaker, were made through political appointments.

In spite of the pledges of the Democratic platform, the Democratic administration has created new governmental departments with the expressed proviso that many thousand employees should not be under civil service.

It may interest the Members that the Pendleton Act, designed to remove spoils from the Federal Service, was spurred on to passage in 1883 by the assassination of President Garfield by a spoils seeker.

In many ways the merit system is a protection to Members of Congress as well as to good governmental procedure and efficiency.

I have great admiration and sympathy for the Civil Service Commission, which has functioned and has performed an amazing service under most trying conditions and on a very small amount of money during the past few years. The Secretary of the Commission, Mr. Hull, is a civil service employee and has rendered a very remarkable service. I believe no one knows whether this man is a Democrat or Republican. Dr. Doyle, former Secretary of the Commission, who retired in 1932, had for years—from 1886 to 1932—served that Commission, and I doubt if any one knew whether he was a Democrat or a Republican. Dr. Doyle, Mr. Hull, and many others proved to be true public servants under the merit system.

Mr. Speaker, I believe we will have a very fine administrative governmental service if we maintain the merit system. It is generally felt that the reason England has done so well during the years since the World War, is because she has had an administrative and executive section of the Government made up of highly trained experienced men under their unit system that went on year after year no matter which party was in power. I earnestly hope that our civil service may be allowed to develop in the same way—

Mr. EBERHARTER. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. Did not the Congress last week incorporate a provision in the independent offices appropriation bill which brought all the departments covered by that measure under the merit system?

Mrs. ROGERS of Massachusetts. The Archives was the only department brought under the provisions of the Civil Service Commission appropriation bill. There are certain departments under this bill that were not taken into the civil service. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks on the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein the legislative program promulgated and announced by the Farmers' Cooperative and Educational Union.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. EICHER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the testimony which I gave before a subcommittee of the Committee on Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CITRON. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD at the point where they were made while the House was in Committee of the Whole today.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

ADJOURNMENT

Mr. LUDLOW. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to.

Accordingly (at 3 o'clock and 59 minutes p. m.) the House adjourned until Monday, January 17, 1938, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE DISTRICT OF COLUMBIA

The Subcommittee on Fiscal Affairs of the House Committee on the District of Columbia, will meet at 10 a. m., Monday morning, January 17, 1938, in room 345, House Office Building.

The Subcommittee on Public Utilities of the House Committee on the District of Columbia, will meet at 10 a. m.,

Tuesday morning, January 18, 1938, in room 345, House Office Building.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation Tuesday morning at 10 a. m., January 18, 1938, in the committee's hearing room, 128 House Office Building.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, January 18, 1938, at 10:30 a. m., to hold hearings on H. R. 8327, a bill to promote interstate and foreign commerce, to improve the navigability of the Lakes-to-the-Gulf waterway, and for other purposes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings on H. R. 8532, to amend the Merchant Marine Act of 1936, and for other purposes, Tuesday, January 18, 1938, at 10 a. m.

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, February 1, 1938, at 10 o'clock a. m., on H. R. 8344, a bill relating to the salmon fishery of Alaska.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, House Office Building, at 10:30 a. m., on Wednesday, January 19, 1938, for the public consideration of H. R. 8562 and H. R. 8569.

COMMITTEE ON PENSIONS

The Committee on Pensions will hold a hearing at 10:30 a. m., Friday, January 21, 1938, on H. R. 6289, granting a pension to certain soldiers, sailors, and marines for service in the War with Spain, the Philippine Insurrection, and the China Relief Expedition, and H. R. 6498, granting pensions to persons who served under contract with the War Department as acting assistant or contract surgeon between April 21, 1898, and February 2, 1901.

The Committee on Pensions will hold a hearing at 10 a. m., Friday, January 28, 1938, on H. R. 8690, granting a pension to widows and dependent children of World War veterans.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DEROUEN: Committee on the Public Lands. H. R. 8773. A bill to authorize the Secretary of the Interior to dispose of surplus buffalo and elk of the Wind Cave National Park herd, and for other purposes; without amendment (Rept. No. 1697). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. GUYER: Committee on Claims. H. R. 344. A bill for the relief of Ford O. Gotham; with amendment (Rept. No. 1680). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 592. A bill for the relief of E. A. Caylor; with amendment (Rept. No. 1681). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 2316. A bill for the relief of Paul Brinza; with amendment (Rept. No. 1682). Referred to the Committee of the Whole House.

Mr. ATKINSON: Committee on Claims. H. R. 3179. A bill for the relief of R. L. Scott; with amendment (Rept. No. 1683). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. H. R. 3389. A bill for the relief of Benjamin Weisenberg; with amendment (Rept. No. 1684). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4020. A bill for the relief of William R. Herrick; with amendment (Rept. No. 1685). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 4251. A bill for the relief of Eva C. Netzley; William G. Stuff; Lois Greenawalt Stuff; William G. Stuff, administrator of the estate of Sarah C. Stuff, deceased; Eva C. Netzley, Clyde M. Netzley, and Dolores Netzley, widow and children and sole heirs at law of Clyde C. Netzley, deceased; and Harry E. Ridley; with amendment (Rept. No. 1686). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4921. A bill for the relief of Hugh Ray; with amendment (Rept. No. 1687). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. H. R. 5149. A bill for the relief of John M. Fraley; without amendment (Rept. No. 1688). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 6397. A bill for the relief of John W. Watson; with amendment (Rept. No. 1689). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 6471. A bill for the relief of Ralph J. Neikirk; with amendment (Rept. No. 1690). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 7173. A bill for the relief of James T. Rogers; with amendment (Rept. No. 1691). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 7678. A bill for the relief of Carl Dement Weaver; with amendment (Rept. No. 1692). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2602. An act for the relief of George Yuhaz; with amendment (Rept. No. 1693). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2768. An act authorizing the Comptroller General to adjust and settle the claim of Leo L. Harrison; without amendment (Rept. No. 1694). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2769. An act authorizing the Comptroller General to adjust and settle the claim of Irvin H. Johnson; without amendment (Rept. No. 1695). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2832. An act authorizing the adjustment of the claims of Frank Pashley and Brown Garrett; without amendment (Rept. No. 1696). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 8980) to provide suitable memorials at ports of the United States from which the American forces embarked for World War service; to the Committee on Foreign Affairs.

By Mr. CLASON: A bill (H. R. 8981) to modify the project for flood control in the Connecticut River Basin, to provide for the construction of dikes, flood walls, and related works for the protection of cities in said basin; to the Committee on Flood Control.

By Mr. DIMOND: A bill (H. R. 8982) to amend Public Law No. 282, Seventy-fifth Congress, relative to the fisheries of Alaska; to the Committee on Merchant Marine and Fisheries.

By Mr. VINSON of Georgia: A bill (H. R. 8983) to authorize alterations and repairs to certain naval vessels, and for other purposes; to the Committee on Naval Affairs.

By Mr. ROMJUE: Joint resolution (H. J. Res. 566) authorizing the issuance of a series of special postage stamps in honor of the Seventh World's Poultry Congress and Ex-

position; to the Committee on the Post Office and Post Roads.

By Mr. McREYNOLDS: Joint resolution (H. J. Res. 567) to authorize and request the President of the United States to invite the International Seed Testing Association to hold its ninth congress in the United States in 1940 and to invite foreign countries to participate in that congress; and also to provide for participation by the United States in that Congress; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AMLIE: A bill (H. R. 8984) for the relief of Hans Christensen; to the Committee on Claims.

By Mr. LUCKEY of Nebraska: A bill (H. R. 8985) granting an increase of pension to Frank E. Crane; to the Committee on Pensions.

By Mr. McANDREWS: A bill (H. R. 8986) for the relief of William Theodore Herbert; to the Committee on Naval Affairs.

By Mr. REECE of Tennessee: A bill (H. R. 8987) granting a pension to Flora Green; to the Committee on Invalid Pensions.

By Mr. ROBSON of Kentucky: A bill (H. R. 8988) for the relief of Esaw Wright; to the Committee on Military Affairs.

Also, a bill (H. R. 8989) for the relief of Thomas H. Bowlin; to the Committee on Military Affairs.

Also, a bill (H. R. 8990) for the relief of James R. Slusher; to the Committee on Military Affairs.

By Mr. TREADWAY: A bill (H. R. 8991) for the relief of J. Aristide Lefevre; to the Committee on Claims.

By Mr. THURSTON: A bill (H. R. 8992) granting an increase of pension to Effie J. Clark; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3797. By Mr. BIGELOW: Petition of various residents of Portsmouth, Va., asking for enactment of the Federal work-week bill (H. R. 8431); to the Committee on the Civil Service.

3798. By Mr. CITRON: Resolution of the Department of Connecticut, Veterans of Foreign Wars, opposing establishment of a Nazi camp at Southbury, Conn., by the German-American bund; to the Committee on the Judiciary.

3799. By Mr. CULKIN: Petition of the employees of the R. A. Jones Co., Inc., Covington, Ky., urging Government steps to encourage investment of capital in business; to the Committee on Ways and Means.

3800. Also, petition of the Reverend Frank Jones and other residents of Harrisville, N. Y., urging the adoption of the Capper-Culkin antiliqor advertising bill and House bill 7508, and opposing the national lottery bill; to the Committee on Interstate and Foreign Commerce.

3801. Also, petition of a nonpartisan meeting of employers in the cities of Rensselaer and Albany, urging repeal of the undistributed-profits tax, repeal or amendment of the capital-gains tax, reduction of Government expenses, and that Government cease competing with private business; also opposing enactment of a wage and hour bill; to the Committee on Ways and Means.

3802. Also, petition of the Virginia Highways Users Association, Richmond, Va., opposing the Pettengill bill to repeal the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

3803. By Mr. HART: Petition of the Citizens' Civic Association for Social Justice, Irvington, N. J., requesting the return of sovereign power of Congress to coin money, regulate the value thereof, and of foreign coin; to the Committee on Coinage, Weights, and Measures.

3804. By Mr. JARMAN: Petition of the farmers of Perry County, Ala., concerning farm legislation and against the Boileau amendment to House bill 8505; to the Committee on Agriculture.

SENATE

MONDAY, JANUARY 17, 1938

(Legislative day of Wednesday, January 5, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, January 15, 1938, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I am requested to suggest the absence of a quorum, which I do, and ask for a roll call, in order to secure one.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Johnson, Colo.	Pittman
Andrews	Copeland	King	Pope
Ashurst	Davis	La Follette	Radcliffe
Austin	Dieterich	Lewis	Reynolds
Bailey	Donahey	Lodge	Russell
Bankhead	Duffy	Logan	Schwartz
Barkley	Ellender	Loneragan	Schwellenbach
Billbo	Frazier	Lundeen	Sheppard
Bone	George	McAdoo	Shipstead
Borah	Gibson	McCarran	Smathers
Bridges	Gillette	McGill	Smith
Brown, Mich.	Glass	McKellar	Stelwer
Brown, N. H.	Guffey	McNary	Thomas, Okla.
Bulkeley	Hale	Maloney	Thomas, Utah
Bulow	Harrison	Miller	Townsend
Burke	Hatch	Minton	Truman
Byrd	Hayden	Murray	Tydings
Byrnes	Herring	Neely	Vandenberg
Capper	Hill	Norris	Van Nuys
Caraway	Hitchcock	Nye	Walsh
Chavez	Holt	Overton	
Clark	Johnson, Calif.	Pepper	

Mr. LEWIS. I announce that the Senator from Rhode Island [Mr. GREEN] and the Senator from Delaware [Mr. HUGHES] are absent from the Senate because of illness.

The Senator from Rhode Island [Mr. GERRY] and the Senator from New York [Mr. WAGNER] are absent because of slight colds.

The Senator from Tennessee [Mr. BERRY], the Senator from Oklahoma [Mr. LEE], the Senator from New Jersey [Mr. MOORE], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Montana [Mr. WHEELER] are detained on important public business.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

INDEPENDENT OFFICES APPROPRIATIONS—REPORT OF COMMITTEE ON APPROPRIATIONS

Mr. GLASS. Mr. President, I ask unanimous consent, to report back favorably, from the Committee on Appropriations, with amendments, the bill (H. R. 8837) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1939, and for other purposes, and I submit a report (No. 1303) thereon. I ask that the bill may go over under the rule.

The VICE PRESIDENT. Without objection, the report will be received and the bill will be placed on the calendar.

RECEIPTS AND EXPENDITURES, ST. ELIZABETHS HOSPITAL

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting, pursuant to law, the report of the acting superintendent of St. Elizabeths Hospital for the fiscal year ended June 30, 1937, showing in detail the receipts and expenditures of the hospital, which, with the accompanying report, was referred to the Committee on the District of Columbia.

IMPROVEMENT OF TRAFFIC CONDITIONS—CASE HISTORIES OF FEDERAL HIGHWAY ACCIDENTS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting, pursuant to law, the fifth report in a series based upon investigations conducted by the Department under authority of the act